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Wentworth Named Head Of Loyalty Group Companies

Herd Elected Chairman And Dekker A Director; Boyd Is Executive Vice-President

Nathan H. Wentworth has been elected president of Firemen's, parent company of Loyalty group. The action followed the recent retirement of Loyalty group's two top officers, William B. Rearden, chairman, and Walter J. Christensen, president, who reached retirement age several months ago.



N. H. Wentworth

Mr. Rearden's duties as chairman and chief executive officer of Loyalty group companies will be assumed by J. Victor Herd, chairman and chief executive officer of America Fore, which affiliated three years ago with Loyalty group, one of the world's largest property and casualty insurance organizations.

Nicholas Dekker, president of America Fore, was elected a director of Firemen's, and he assumes additional duties in the newly created position of vice-chairman of Loyalty companies. George A. Boyd, executive vice-president of America Fore companies, was elected to the same position with Loyalty.

Mr. Wentworth is a director of all companies of the America Fore Loyalty group. He is also a director of the Fidelity Union Trust Companies of Newark. He is a trustee of United Hospitals of Newark and the Bureau of Municipal Research, and a director of Newark Assn. of Commerce & Industry, Newark Y.M.-Y. W. C. A. and Robert Treat Council of Boy Scouts.

Mr. Wentworth joined Loyalty group in July, 1958, when as vice-president of the America Fore companies he was elected, in addition, a vice-president of all Loyalty companies and went to Newark to understudy Mr. Rearden and Mr. Christensen. He was elected executive vice-president the following year. He joined America Fore in 1953 at the home office after several years with American Foreign Insurance Assn., serving from 1934 to 1941 at its Paris branch. For his service in World War II he was awarded the French Croix de Guerre and six battle stars.

Mr. Herd is a director of Mutual Benefit Life and a trustee of Hanover Bank and Bank for Savings, New York. He is a director of several corporations and a member of the executive committee of American Telephone & Telegraph.

Mr. Dekker, who has been with America Fore since 1916, is a director of National State Bank of Newark, National Automobile Underwriters Assn., General Adjustment Bureau,

Avis Car Rental Offering Credit Card Travel Accident Cover

Avis Rent-a-Car System is making its credit card facilities available to insurance agents and brokers for the sale of traffic and travel accident insurance as a customer credit service.

Coverage is offered to individuals between the ages of 18 and 70 by Beneficial Standard Life of Los Angeles, which already is writing a similar policy for holders of Diners' Club cards. A choice of up to \$120,000 accidental death benefits and \$5,000 medical expense is provided with respect to every kind of travel conveyance. These include the driving of and riding in rental cars as well as other automobiles, trains, private yachts, and on scheduled and non-scheduled flights of commercial airlines.

No Prior Approval Bills In Tennessee

The National Assn. of Independent Insurers and National Board versions of "no prior approval" rate regulation have been introduced in the Tennessee

On Wednesday all the rate bills were tabled.

legislature. Indications are that the most will be made of the differences between the two bills, with emphasis on bureau property rights in its manuals and the aggrieved party issue.

The National Board bill was introduced last week but was withdrawn when Insurers of Tennessee, the agents' association, introduced a compromise measure that didn't prove much more satisfying to NAII. The issues of manuals and aggrieved parties remain.

Tennessee is the first state to consider no prior approval rate laws, as advocated by NAII, National Board, Assn. of Casualty & Surety Companies, and North America (this amounting to three variations), and there are obvious national implications in the fact that the industry isn't agreed on a model bill. Agent support for the National Board bill may be said to be a little surprising, since NAIA is on record against no prior approval legislation. But in Tennessee there has been so much political maneuvering in connection with auto rate changes it is no wonder the agents welcome a plan that offers a chance for change.

With the bureau-NAII split on techniques of rate regulation, it would seem doubtful either side could get its bill enacted. The house insurance committee held its last hearing Wednesday. Until Tuesday, it had four bills to consider—NAII, National Board, Insurers of Tennessee, and something from the mutual agents.

Underwriters Salvage Co. and affiliated companies of America Fore Loyalty.

Mr. Boyd joined America Fore as a security analyst in 1926. He has been head of the group's investment department since 1928. He was elected vice-president in 1954 and executive vice-president of America Fore companies last year.

Assigned Risks In N. Y. Shrink 21%

The number of motorists applying for automobile insurance in New York Automobile Assigned Risk Plan has dropped 21% during the past five months, George J. Schepens, manager of the plan, has reported. This is the first significant reduction in applications since compulsory went into effect in 1957.

Changes made last Oct. 1 in assigned risk plan rules included a provision for giving companies double credit against their assigned risk quotas for voluntarily providing insurance to male drivers under 25.

Applications numbered 24,508 fewer Oct. 1, 1960, to Feb. 28, 1961, than it did for the same period a year earlier. Percentage reductions were 21 in October, 12 in November, 26 in December, 19 in January, and 26 in February.

The most recent national study shows that insurance companies incurred losses and overhead expenses of about \$140 for every \$100 of premiums earned from assigned risk business during the most recent five-year period available.

\$350,000 Worth Of Art Lost In N. Y. Mansion Fire

The fire which severely damaged the governor's mansion in Albany will result in a heavy fine arts loss to insurers. A substantial part of the damage was to paintings that former Gov. Harriman had given to Albany Institute of History & Art to be hung in the governor's residence for the pleasure of his successors. The seven paintings were insured by the institute and their value is estimated at \$250,000.

In addition, \$100,000 worth of paintings owned by Gov. Rockefeller were destroyed or damaged. These also were insured. The building and other contents owned by the state were not insured.

Five New Alexander & Co. V-Ps

Five vice-presidents have been elected at the Alexander & Co. agency of Chicago: John T. Even, Joseph W. Hanrahan, John F. O'Connor, Robert H. Thayer and Spencer S. Willison.

Chicago Tornado Delivers Insurers A \$7 Million Blow

Expect 6,000 Losses, 10 In \$100,000-Plus Bracket And Rest Averaging \$500

Insured loss from a tornado that ripped the south side of Chicago last Saturday is expected to run as high as \$7 million, according to early estimates. The storm, dollarwise, is Chicago's worst on record.

Some 6,000 losses are anticipated, principally dwellings, mercantile property and also on a large number of automobiles blown about or struck by falling trees and debris. Dwelling and mercantile losses are expected to amount to \$5.6 million. About 10 losses will run over \$100,000, and the rest will average \$500.

In a preliminary bulletin, General Adjustment Bureau estimates that of the 3,000 losses it expects to receive, 1,600 will be less than \$500; 1,000 from \$500 to \$1,000; 250 from \$1,000 to \$10,000, and 15 in the \$10,000 to \$50,000 range. Five will exceed \$50,000.

Adjusters report that claims are slow coming in, and this has been attributed to the complex mortgage administration on Chicago properties.

National Board has assigned catastrophe No. 15 to the storm damage.

Bill To Abolish Mont. Hail Fund Is Killed

The state hail fund in Montana will continue in business. Gov. Nutter's program, which called for abolition of the fund and the transfer of its reserve to the state general fund, has been killed in the senate. The governor's proposal was a surprise move at the opening of the legislative session; it was designed to get the state out of debt, but by a means that had not been discussed before.

The plan had the backing of the insurance agents and the insurance community of Montana, but it had no advance billing.



Richard A. Harvill, president of University of Arizona, confers with insurance commissioners during Arizona Insurance Day program sponsored by the University. From left are Mr. Harvill; George Bushnell, Arizona; Joseph S. Gerber, Illinois; and Ralph Apodaca, New Mexico.

Home Puts Marketing Plan In Each Agency With Conference As Feature

By JOHN N. COSGROVE

Home has gone a long way toward meeting the problem of making available to the independent agent a modern marketing program specifically designed to fill the particular needs of his agency. In a big step toward this goal, the company has provided each of its agencies with its new advertising aids folder—a compilation of marketing ideas and materials in handy file size to be kept in the agency and continually brought up to date to meet changing conditions.

The advertising aids file—which covers all pertinent phases of market-

ing—is not the product of home office specialists alone. Agents had a hand in its development, as they will have in its future improvement. It was tested in its formative state at the annual meeting in Atlantic City last year of National Assn. of Insurance Agents.

At that meeting, some 800 producers visited the booth where Home had a model of the ad file on display. The visitors expressed general approbation and contributed valuable ideas and suggestions for the format and contents. More important, agents will contribute to the development of marketing ideas for the file in future. For this purpose, Home has set up within its advertising and sales department a counseling service where agents may not only get help on their particular marketing problems but where they may also send their ideas for refinement of the program. Thus Home has set up a permanent marketing conference with its producers.

Basic Decisions

Although the file is unique in its physical makeup, it is not a gadget designed to fit neatly in an agent's standard vertical file and to rest undisturbed there. It is a daily working tool which will produce the maximum premium volume from quality business in the agent's local market—if it is used intelligently.

Home has taken pains to guide the

producer to the most effective use of the ad file as the basis of his own flexible marketing program. In clear cut instructions, the company tells the agent that the plan will:

1. Produce more business within "your" sales and service area.
2. Develop a steadily growing number of qualified prospects within "your" area for the professional service "you" offer.
3. Build a broader and deeper awareness of "your" agency's stature in the minds of the general public in "your" area.

Proceeding on a simple step-by-step basis, the company emphasizes that any marketing program worth the name calls for four fundamental decisions at its outset. The agent must decide who his prospects are; where they are; what he has that they need, and how he should tell them about his ability to meet those needs.

Going to the heart of each of these questions in turn, Home tells the agent: "Basically, your prospects are people with average or better than average incomes and with property, located within your service area." It usually pays to concentrate marketing efforts on people who are prospects for several kinds of insurance, the company points out. It is not necessary to have a list of all prospects, but it is desirable to list several hundred of the better ones. The size of this list will be

(CONTINUED ON PAGE 38)

WC Volume Passes \$1.5 Billion, Still In Red For 1960

Auto Assigned Risks Slow Up, WC Assignments Grow, Council Manager Reports

Workmen's compensation premiums increased approximately 9% in 1960 to \$1,550,000,000, George F. Reall, general manager of National Council on Compensation Insurance reported at the annual meeting in New York. The increase in volume was due to higher rate levels reflecting higher benefits enacted in 1959, and to a higher level of economic activity during 1960 sustained in face of the downward trend toward the end of the year.

Loss ratios improved slightly but were expected to be still slightly in the red when the final figures are reported, Mr. Reall commented.

In 1960 the number of new WC risks asking for assignment increased 15%, which was 1,054 more than in 1959. Risks afforded coverage totaled 12,989, up 24.7%. There was a 13.1% increase in the estimated advance premiums—\$8,835,388 in 1960. The record by number of risks covered by assignment is: 1956, 5,381, increase 2.1%; 1957, 6,155, up 14.4%; 1958, 7,923, up 28.7%; 1959, 10,417, up 31.5%; and 1960, 12,989, up 24.7%. Risks assigned in those years represent 1.2% of the total number of WC risks for 1954, 1.1% of the total in 1955 and 1956, 1.3% in 1957, and 1.7% in 1958. The council administers WC assigned risk plans in 22 jurisdictions.

Several AR Plans Shrink

However, in automobile assigned risk plans, which the council administers in 19 jurisdictions; there was a slackening in the rate of increase both in number of applications processed and number of policies finally issued. Mr. Reall reported that the number of applications processed in 1960 increased only 3% over 1959. The number of applicants granted coverage increased 16% to 276,765.

Florida showed a substantial increase, 59,422 to 64,671. However, there was only a slight increase in Arkansas,

(CONTINUED ON PAGE 42)

Far West Agents Conference Is Readied For S. F., March 27-29

The Far West Agents Conference—the three-day annual meeting of representatives from 10 western state associations of insurance agents—will be held March 27-29 at the Sheraton-Palace Hotel, San Francisco.

The conference will begin with a closed business meeting of member associations on Monday. On Tuesday, individual "contact committees" will meet with spokesmen of Pacific Fire Rating Bureau and Inter-Regional Insurance Conference.

Open discussion among agents and representatives from PFRB, IRIC, National Bureau, and National Automobile Underwriters Assn. will be held Wednesday.

The Far West Agents Conference is composed of state associations from Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Utah, and Washington.

1960 Premiums Of Bituminous Cas. Up 11%, New Record

Bituminous Casualty had record written premiums in 1960 of \$36 million and an operating profit of \$1,081,000 after federal taxes. The operating profit is the equivalent of \$13.51 per share on the 80,000 shares of common stock outstanding. This compares with earnings of \$10.33 per share for 1959. Dividends for 1960 were \$4 per share, or less than one-third investment income after taxes.

The company had underwriting income of \$266,000 after dividends to policyholders and before taxes. Investment income before income taxes was \$1,429,000, compared with \$1,196,000 for 1959, an increase of almost 20%.

The record premium writings represent a gain of about 11% over the \$33 million of 1959.

Surplus Dec. 31 was \$13,600,000, up \$700,000 from the \$12,900,000 on Dec. 31, 1959. Assets at year end were \$63,486,000, an increase of about \$5 million. Invested funds are 60% in U.S. government bonds, 31% in state and municipal bonds and 9% in equities.

Jan. Traffic Deaths Lowest Since 1952

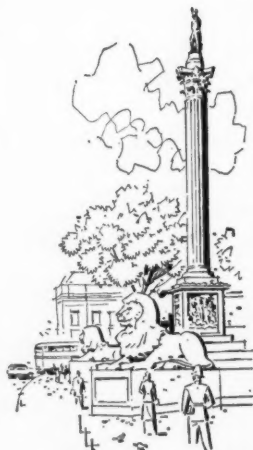
Traffic deaths in January was the lowest in nine years, according to the National Safety Council. The 2,650 toll was 8% lower than the January, 1960, toll of 2,880 deaths, and was the lowest since 2,625 persons died in traffic in January, 1952.

Severe snowstorms across the nation were credited with lowering the 1961 toll. New York City, for example, one of the areas hardest hit by snows in January, had 30 traffic deaths as compared with 50 a year earlier.

IDEA Survey Course A Success

Insurance Distaff Executives Assn. of Chicago has compiled the results of its course "Introduction to Insurance," classes in which were held Tuesday evenings from Sept. 27 to Nov. 15 in the Insurance Exchange Building Auditorium. Total enrollment was 71. All the lecturers were IDEA members. The course is offered particularly for beginners who are seeking a brief yet comprehensive survey of the various aspects of the business. It is contemplated that the course will be conducted again in the fall of 1961. Miss Ruth Brand is chairman of the education committee and Miss Carol DiCicco is president of IDEA.

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A bunch of fellows from a very serious-minded insurance agency sent their boss one of those "Wish you were here" messages while he was on vacation. Included was a photograph showing one of the underwriters tearing out his hair, a big producer was ripping up the firm's largest policy which had just been cancelled, the fire manager was standing on his head over a risk he couldn't place and one quiet little clerk was off in the corner hanging himself.

The boss took one look at the picture and said: "If I didn't know you all so well, I'd swear it was a fake."

Last week an agent came to us with a large oil rig coverage which he had been working on for a month and was unable to place. He was getting nowhere fast and only three days before the deadline. We finished the job in record time. His letter of appreciation followed: "Thanks for your assistance in placing this business. Contractors on this risk are one of the largest in the United States. As you know, it was quite a struggle at the 11th hour when I turned to you . . . but you certainly came through on top . . ."

We had another case recently where an agent tried to place a certain fire line for two weeks. No market. We placed a quick call to our markets and within 30 minutes had the agent back on the long distance telephone. It was bound.

These are only a few of numerous cases but the ground rules for Leo B. Menner & Company are the same in every situation—understand the problem first, follow through, get the job done. Not tomorrow, mind you, or the next day . . . **NOW!**

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Gov't Employees Had \$9 Million Profit

Government Employees in 1960, its 25th year, wrote \$65,021,868 in premiums, up 14.2%, on 719,645 policies, an increase of 11.5%. The company had an underwriting profit of \$9,293,020, an increase of 31.6%. After taxes, net earnings for the year were \$6,416,022, an increase of 30.7%. Assets were up 16% to \$94,646,035.

Most of the company's business is

in automobile, 652,245 policies. However, fire policies totaled 44,502 at year end, a 23.6% increase; comprehensive personal liability 20,988, up 3.2%, and homeowners, 1,910, all written since last June.

The 1960 ratio of incurred to earned was 66.6, down from 69.3; but underwriting expenses to written were up from 13.7% to 15.4%. The loss reduction was due to underwriting, a leveling off of claim frequency and severity, improved claim procedures, and a slight increase in premiums, according to the management.

One expense which has risen for the company, since it operates almost entirely by mail, is postal rates. Since the beginning of 1959, first class rates have increased one-third, and third class bulk rates two-thirds. Compulsory requirements present special procedural problems for the company. Mandatory merit rating in Texas and North Carolina can't be handled through normal operating procedures.

The company is formulating final plans for its newest affiliate, Government Employees Variable Annuity Life.

American Ahead On All Fronts In '60

American boosted its underwriting profit in 1960 to \$1,007,481. An increase of \$334,257 in the equity in the unearned premium reserve brought the adjusted underwriting gain to \$1,421,738 compared with \$1,004,598 in 1959. Premiums written were up by \$11,377,640 to \$183,912,897. Policyholders surplus rose by \$7,248,428 to \$114,772,749.



Robert Z. Alexander

In a preliminary summary of results, Robert Z. Alexander, president, noted that the underwriting profit was achieved despite losses of almost \$5 million from the heavy windstorms of 1960.

Ratio of losses and expenses to earned premiums was 61.6 and ratio of underwriting expenses to written premiums was 37.6 compared with 60.2 and 39.2, respectively, in 1959.

Investment income rose by \$625,556 to reach \$9,040,917 in 1960. Net operating profit was \$9,764,532 of \$2.35 a share against \$8,870,452 or \$2.14 a share in 1959.

Minn. Supreme Court Reverses Lower Court On "Suggestive" Evidence

ST. PAUL—Minnesota supreme court has reversed a lower court that had set aside \$26,000 damages awarded by a jury in a fatal plane crash. In its decision, the high court ruled that an inference may be drawn from facts and circumstances "suggestive" of negligence.

In the case, a student flyer was killed while flying with a flight instructor, who was also killed. After reviewing the evidence, the high court said "the only possible inference reasonably remaining is that the crash was caused by human fault in piloting the plane." It was held that the instructor had responsibility for the plane regardless of who was at the controls.

St. Paul Enters Rain Field

Agents of St. Paul F&M. and St. Paul Mercury have received simplified forms, applications and promotional literature on rain insurance, offered by the companies for the first time this year.

The new policy indemnifies the insured against loss of expense and income due to rain, hail, snow or sleet. Property damage is not covered. "Single-shot" events, such as conventions, parades and picnics, are covered for expenses only. For income-producing events, insured may choose between coverage for a percentage of gross profits, based on the last such event held, or a valued form, at a higher rate, which pays the actual amount of insurance.

It is not necessary that the event be held outdoors if precipitation could keep customers away.

Rates are based on rainfall records, which in some states vary from county to county, and differ according to time of day covered. Meteorological data was supplied by Crop-Hail Insurance Actuarial Assn.

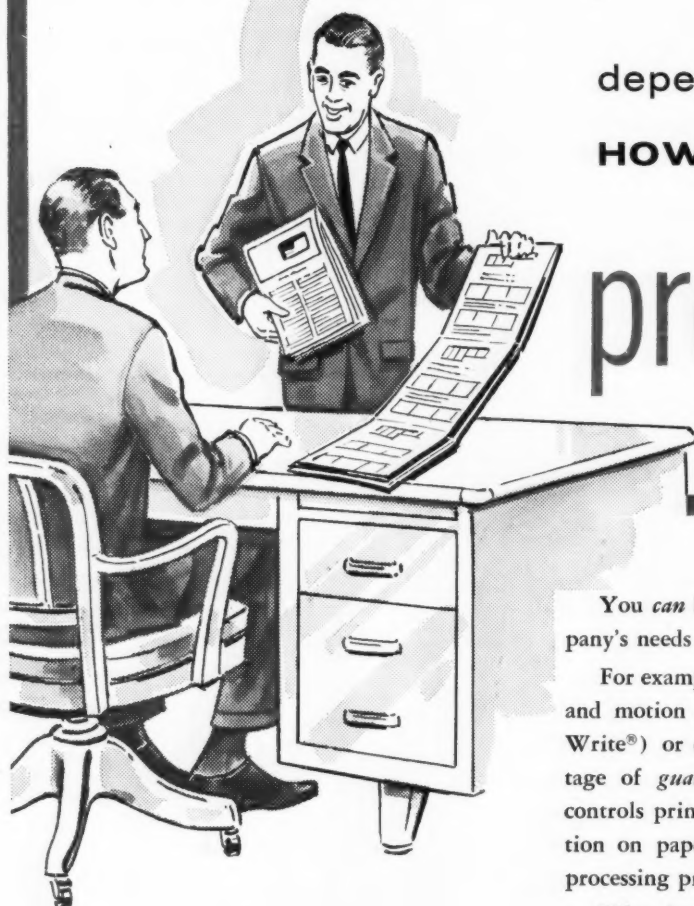
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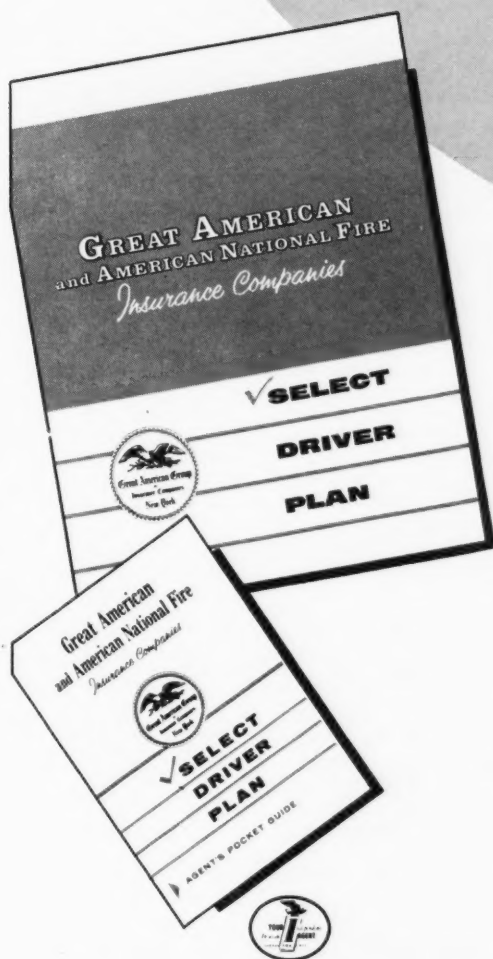
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T-2-61. NU

A Direct Writer Looks At The '60s— Sees More Deductibles, Legislation

The prospect of a rapid trend toward deductibles on many coverages, and the possibility in some areas for compulsory insurance, were among the predictions made by William J. Braddock, president Mid-Century, in his address entitled "How The Direct Writer Looks At The '60s" at Arizona Insurance Day in Tucson.

Mr. Braddock said that in attempting to visualize the coming decade it is of primary importance to keep in mind what should be an almost unprecedented increase in business in the insurance industry. With more young people coming of age, and a higher percentage of older persons still alive, there will necessarily be more automobiles, more houses, more personal effects that will need to be insured.

Expect Some Increases

Signs point to some increases in the existing rate structures of many coverages. Inflation, or wage increases, or whatever, will mean higher prices for automobiles, homes, and practically all types of commodities. With increased wages, and probably higher employment, it is logical to assume that more insurance protection will be the inevitable result.

The automobile insurance picture is still not too rosy, Mr. Braddock said. It appeared for a while that there was a levelling off of accident frequency, even though cost per accident was higher. This didn't last very long, and it would seem that frequency continues to increase slightly.

There will probably be many new

lines of coverage introduced during the '60s. All companies introducing such coverages should use extreme care to see that adequate rates are promulgated to cover the exposures under these new policies. It isn't good public relations for anyone to come out with a lot of ballyhoo hailing a special policy at a reduced rate, and then, on the first or second renewal of such a policy, increase the rate substantially because a good enough job at the inception wasn't done.

Some of the present automobile merit rating plans recently introduced did not contemplate the correct number of persons receiving the lowest rate because of a clear accident and citation record, Mr. Braddock said. Because of this, the rating structure probably was too low. Another point which is essential to any merit rating plan is the proper classification of each such risk. Just because there is a volume of business for a particular account shouldn't warrant misclassification of an individual automobile policy.

Recently, most companies have adopted some sort of a homeowner's policy which combines many of the necessary coverages into one package, Mr. Braddock noted. Presently the experience on this business may be satisfactory, but as the public realizes the extent of the coverage afforded by this policy, it may be that the rates that are used today will not be adequate to cover the losses.

Most companies have experienced situations of a similar nature in the

past. Some will recall that when medical payments coverage was first introduced the loss experience for the first year was exceedingly good. Now, even at rates several times those which were originally charged, it is doubtful that many companies are showing a profit in that class of business. The same can be said of the uninsured motorist coverage.

As the rates and premiums are increased on the property lines of insurance, there will be a rapid trend toward deductibles on many coverages, Mr. Braddock predicted. With the present low rating structures there is not much temptation to accept a deductible because there is not enough financial incentive. As rates go higher and this difference becomes greater, then obviously the deductibles will be more popular.

Causes Confusion

The present wording of the all-industry law leads to confusion in too many instances, Mr. Braddock stated. One particular phase of the law, which states that rates must not be excessive, inadequate, or unfairly discriminatory without definition of these terms is unfair to the person charged with the responsibility for administering such laws. Too much is left to the judgment of an individual as to what would be excessive or inadequate. To truly administer a law of this type would require that the department have intimate knowledge of all of the workings of every company licensed to do business in their state; and there isn't a single commissioner or director of insurance who feels that he has a sufficient staff under his supervision to fulfill the obligations thus imposed upon him.

Attempting to exercise judgment as to the meaning of these phrases often leads to comparisons of rates charged by other companies for similar coverages. Who can determine whether such a comparison should be made with the rates of the bureau, or some of the highly successful non-bureau and direct writing companies? Rates can be considered excessive for some companies, and inadequate for others, because of differences in the types of operations and their expense ratios, Mr. Braddock said.

Only recently, the O'Mahoney committee proposed what it termed as a model bill for the District of Columbia. This has been attacked by some segments of the industry, stating that it would create chaos in the business if such laws were adopted, as it would cause many of the smaller companies to go out of business, either voluntarily or otherwise, because they would be

Official Changes By American Surety

Richard H. Tillotson, vice-president, has been named manager of the western regional office of American Surety and Pacific National Fire. Sheldon S. Pond has been elected assistant secretary of American Surety and will be in charge of the home office casualty department.



Richard H. Tillotson

Mr. Tillotson began his career with American Surety in 1930 and was successively assistant manager of the compensation and liability department, assistant manager of the New York metropolitan office, and manager of the Chicago branch. He returned to New York in 1958 and was elected a vice-president. He was subsequently put in charge of the home office casualty department.

In Charge Of 20-State Area

In his new capacity, Mr. Tillotson will have complete supervision of the activities of the two companies in a 20-state area, extending from the Appalachians to the plains states and served by 27 offices.

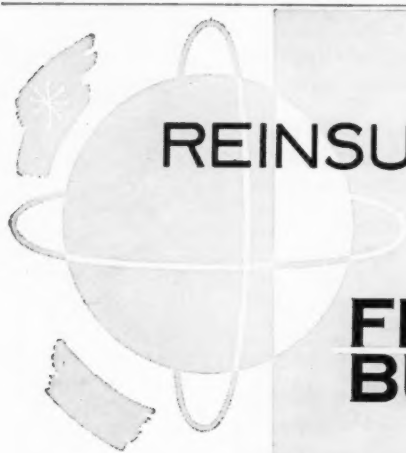
Mr. Pond, with American Surety since 1937, was in the Minneapolis and Detroit offices in underwriting and field work, as superintendent of casualty, and as assistant manager. He was transferred to the home office agency and production staff in 1953. He became an agency supervisor and was later transferred to the home office casualty department where he advanced to assistant manager and then to manager.

unable to meet competition.

"We take a directly opposite view on this subject," Mr. Braddock said. "If the approval of rates is tightly controlled, for political or other reasons, then how is the smaller company going to survive?"

Insurance periodicals of recent date tell how the bureau has had to go to court in an attempt to get rate relief, which by their statistics is necessary to protect the solvency of their companies. When rates are inadequate and can't be increased, the only way the companies can stay in business is to be more restrictive in their underwriting. This creates a bad situation in that

(CONTINUED ON PAGE 34)



REINSURANCE

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One of our Company clients, assets in excess of \$100,000,000, is currently seeking a Branch Office Manager. Company operates on national basis, has excellent reputation as progressive operators

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| N272 Fire Undr. Supv. | \$8000 |
| N273 Fire Spec. Agt. | \$8000 |
| N274 Fire Loss Supv. | \$7800 |
| N275 Fire/Eng. Sp. Agt. | \$8500 |
| N276 Fire Controller | \$12000 |
| N277 Jr. Fire Sp. Agt. | \$6500 |
| N278 Fir./Mar. St. Agt. | \$9500 |
| N279 Fire Accts Ex. | \$10500 |

CASUALTY POSITIONS ALL AREAS

| | |
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| N280 East Comp./Lia. Clms. Supv. | \$9000 |
| N281 MWest Long Haul Undr. | \$12000 |
| N282 East Auto Und. Mgr. | \$10000 |
| N283 East Cas. Actuary | \$12500 |
| N284 MWest Cas. Agency Dir. | \$10000 |
| N285 MWest Local Agcy Asst. | \$6500 |
| N286 MWest Boiler Manager | \$10000 |
| N287 East Cas. Clms. Exam. | \$8500 |

Please refer to Job Number in responding. Send for our brochure "HOW WE OPERATE."

FERGASON PERSONNEL

INSURANCE PERSONNEL EXCLUSIVELY

330 S. Wells

Harrison 7-9040

Chicago 6, Ill.

MIDWEST CAS. CLAIMS MGR. \$12,000.

We would class this Company in the category of "medium size"; Pronounced growth plus an impressive record of results. Apart from financial and growth opportunities position should appeal to individual desirous of living in small community (population under 25,000). Company has asked that we refer individuals with following background: Age to 45, legal background and/or college. Presently occupying #2 or #3 spot in Home Office, experienced in direction of at least 25 employees. Job N 271.

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Q. Mr. Haeger, what is the potential these days for an agent in a smaller town?

A. My town, Wheaton, Ill., has grown threefold since 1949. My firm, Langan, Haeger, Vincent & Born, is 25 times its 1949 size.

Q. And you've grown despite competition from direct writers?

A. It almost seems that we've grown because of it. You see, we place a lot of our business through INA.

Q. How does Insurance by North America help you compete?

A. In Illinois, the INA-Champion Auto and Homeowners policies are often more competitively priced than the direct writers' policies. Then, too, INA Claims Service is definitely superior, I believe.

Q. I understand that INA-Champion is new in your area. How do you sell it? Is the direct writer an obstacle in selling auto insurance?

A. I talk to as many people as possible... make 30 to 35 telephone calls a day. You can spread yourself by telephone. It works, too. A large percentage of our INA-Champion policyholders have switched from direct writers.

Q. Doesn't so much telephoning prohibit more personal contact?

A. Not at all! I've tried to make people regard me as counselor instead of salesman. You'd be surprised how often customers just drop in for a chat about things in general.

I put the customer's interests first—
and sooner or later he realizes it.
My philosophy is a lot like INA's.
And INA helps me make it work.

Fire Insurance INSPECTIONS

Memo to:
UNDERWRITING DEPT.

Why speculate? Inspect the risk, then underwrite accordingly! Check out housekeeping conditions, heating plant, fuse boxes, and type of occupancy. Suggest you use Bredberg in and around Chicago area.

**Chief Underwriter,
HOME OFFICE**



Bredberg Reports *Incorporated*

ALL TYPES OF UNDERWRITING REPORTS, INVESTIGATIONS
AND INSPECTIONS FOR THE INSURANCE COMPANIES

HAROLD BREDBERG, President
FRANK McGUIRE, Vice President
EARL McCLARY, Assistant Manager

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Chicago 3, Illinois
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of which Mr. Bredberg is the Illinois Director.

PRIMARY COVERAGES IN ILLINOIS

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| WORKMEN'S COMPENSATION | GARAGE & DEALERS LIAB. |
| AUTOMOBILES & TRUCKS | LIQUOR LIABILITY |
| OLT—MFRS. & CONTRACTORS | MALPRACTICE LIABILITY |
| COMPREHENSIVE GEN'L. LIAB. | BEAUTY SHOP LIABILITY |
| COMPREHENSIVE PERSONAL LIAB. | BURGLARY |
| PRODUCTS LIABILITY | PLATE GLASS-50/50 |

★ Special Retros on Large W.C.-Liab.-Fleets, Etc.

EXCESS LIABILITY

All 3rd Party Liability Including Excess
Above Assigned Risk Auto Limits to
100,000/300,000/100,000.

SURPLUS LINES

OUTSIDE ILLINOIS—Through Licensed
Surplus Lines Agents in Those States
And Territories Which Permit Non-
Admitted Carriers To Write Liability
Coverages.

THE CASUALTY COMPANY WITH EXTENSIVE FACILITIES...

FLEXIBLE UNDERWRITING... REALISTIC RATING...

INDEPENDENT!

SINGLE RISK REINSURANCE TO \$2,000,000!!!!

FIDELITY GENERAL



INSURANCE COMPANY

A STOCK COMPANY

RAndolph 6-4060

222 West Adams Street
Chicago 6, Illinois

Crum & Forster Has Large Volume Gain, Underwriting Loss

Crum & Forster group had an underwriting loss in 1960 of \$2,306,605 compared with a gain of \$196,069 in 1959. Premiums written were up by \$11,525,604 to \$140,900,610.

Alexander L. Ross, chairman, reported that Hurricane Donna, which cost the group approximately \$2.6 million, numerous storms in the mid-west, and the automobile classes were the chief factors in the underwriting loss picture.

Unearned premium reserve increased by \$5,788,369. Policyholders surplus rose by \$5,082,248 to \$201,838,498. Ratio of losses and loss expenses to earned premiums was 59.49 and ratio of other expenses to written premiums was 40.50 compared with 58.01 and 40.51 in 1959, respectively.

Investment income before income taxes was up \$664,710 from 1959 to \$10,432,711. After federal income taxes, net operating income was \$7,401,293 against \$8,002,452 the year before. Assets rose by \$18,721,334 to \$375,170,438.

Company Results

Of the member companies, U. S. Fire's underwriting loss of \$1,126,939 compared with a gain of \$94,368 in 1959. Premiums written were up by \$4,967,867 to \$64,399,565. Unearned premium reserve increased \$2,521,563. Policyholders surplus was up \$2,204,226 to \$86,024,392. Combined operating ratio was 100.15 compared with 98.41 in 1959. Assets rose \$8,439,462 to \$165,655,452. Investment income was \$4,512,026 and net operating gain was \$3,201,449 against \$3,524,845 the year before.

North River had an underwriting loss of \$743,565 in 1960 against a gain of \$105,365 in 1959. Premiums written were \$30,873,960, up \$2,968,267. Unearned premium reserve rose \$1,618,463. Policyholders surplus gained \$652,415 to reach \$49,990,960. Combined operating ratio was 100.30 compared with 98.33 in 1959. Assets rose \$4,113,633 to \$87,656,387. Investment income was \$2,477,959 and operating gain was \$1,725,979 against \$2,015,810 in 1959.

Westchester Fire's underwriting loss in 1960 was \$511,197 against a gain of \$153,855 in 1959. Premiums written gained \$2,703,307 to reach \$34,099,173. Unearned premium reserve increased \$1,360,667. Policyholders surplus was up \$1,545,577 to \$50,238,277. Combined operating ratio was 99.87 compared with 98.14 in 1959. Assets were up to \$92,596,780, a gain of \$4,921,206. Investment income was \$2,553,527 and net operating gain was \$1,868,127 compared with \$2,052,009 the year before.

Travelers Raises Doolittle

Travelers has advanced James H. Doolittle from engineer in the fire and marine underwriting department to superintendent in the special services division of that department. He joined the company in 1936 as a survey engineer specializing in coverage analysis for fire and allied lines.

Hartford Group Has Underwriting Gain; Other '60 Advances

Hartford Fire group closed out 1960 with an underwriting profit of \$2,298,000 compared with the 1959 gain of \$2,780,000. Written premiums were up to \$517,012,000 from \$478,286,000.

The gratifying underwriting result was achieved despite 25,000 claims from Hurricane Donna, resulting in losses of \$7.2 million to the group, James C. Hullett, president, reported.

Unearned premium reserve increased \$15,097,000 in 1960. Policyholders surplus went to \$418,459,000 from \$411,161,000. Fire and allied lines premiums rose to \$207,439,000 from \$205,829,000. Casualty and surety writings were up to \$308,494,000 from \$271,251,000, and livestock premiums were \$1,079,000 against \$1,206,000 in 1959.

List Underwriting Profits

Underwriting profits were \$856,000 on fire and allied lines; \$1,190,000 on casualty and surety, and \$252,000 on livestock. These figures compare with profits of \$1,473,000, \$1,071,000 and \$236,000 on the respective classes in 1959.

The group's incurred to earned loss ratio in 1960 was 53.93 compared with 53.85 in 1959 and 53.72 in 1958. Incurred loss expense ratios to earned were 7.73, 7.42 and 7.06 for the respective years. Incurred to written expense ratios were 36.72, 36.45 and 37.75 for the same years.

Investment income in 1960 was up to \$27,480,000 from \$24,981,000 the year before. Operating earnings after federal tax were \$25,615,000 or \$2.40 a share compared with \$24,275,000, or \$2.27 a share in 1959. The per share earnings are adjusted to reflect reduction in par value from \$10 to \$5 and the 100% stock dividend paid in 1960.

Hartford Fire had an underwriting profit of \$765,683,000 on premiums of \$194,394,214; Hartford Accident a gain of \$1,190,327 on \$308,494,227; Hartford Live Stock a gain of \$251,928 on \$1,078,611; Citizens a gain of \$6,104 on \$2,070,057; New York Underwriters a gain of \$25,062 on \$8,280,227; Twin City a gain of \$14,233 on \$1,552,543 and London-Canada a gain of \$45,208 on \$1,142,119.

Assets at the year end were \$1,179,575,000 compared with \$1,119,749,000 in 1959.

Pinckard Is Mo. Special

Phoenix of Hartford has appointed Gerald D. Pinckard special agent in western Missouri with headquarters at the Kansas City district office. He has had previous home office and branch experience.

Herbert S. Brewer of Lockport, past president of the group, has been named chairman of the nominating committee by Robert B. Douglass of Potsdam, president of New York State Assn. of Insurance Agents. Sidney Mang of Sidney is chairman of the resolutions committee.

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WIDE WORLD PHOTO, A. P. RELEASE

WE NEVER GOT A HIT... YET WE "ASSURED" THE SERIES FOR PIRATE FANS

Pittsburgh, October 13. So far, the Bucs and Yanks have split . . . three games apiece. Now it's the last of the ninth in the final game . . . tie score. After 62-and-a-half nerve-shredding innings—until Pirate Bill Mazeroski's fence-clearing blast—the outcome of the 1960 World Series remained in doubt.

But never in doubt was the fact that every Pittsburgh fan who'd been mailed a World Series ticket would get a

chance to see his game—if it were played. Pirate management and the specialists at National Union Insurance Companies had seen to that. Each of the thousands of mailings of World Series ducats was covered by a specially designed National Union policy.

This package was created and sold by an *Independent Agent* . . . typical of the outstanding professionals who prepare and service America's finest insurance.



National Union Insurance Companies
Pittsburgh, Pa.
Casualty • Fire • Inland Marine • Ocean Marine



Increase In Earnings For Fireman's Fund

Fireman's Fund and its subsidiaries in 1960 showed an increase in operating earnings to \$3.79 per share compared with \$3.31 for 1959.

Sales were up in 1960 and net premiums written increased to \$260,595,844, against \$258,195,495 in the previous year, but the increase in reserve for unearned premiums was not as substantial as that recorded in 1959.

As a result, earnings based on 3,750,000 shares outstanding and adjusted to include a 35% equity in the unearned premium reserve but excluding realized gain or loss on sales of investments, amounted to \$4.12 per share, compared with \$4.78 in 1959.

Due to a tax loss carry-forward, no federal income taxes were incurred during 1960 or 1959.

Other highlights of 1960 were the reduction in net underwriting loss to \$1,140,894, compared with \$1,563,283, and a 9.7% increase in net investment income to \$15,339,014, from \$13,987,267,

or \$4.09 per share in 1960 against \$3.73 in 1959. In 1960, underwriting ratios showed losses and loss expenses incurred to premiums earned of 62.6%, and underwriting expenses and taxes incurred to premiums written were 37.3%. The combined ratio of 99.9 compares with 98.2 the year before.

Felts Joins Financial Indemnity

James H. Felts, claims manager of General of Seattle, has joined Financial Indemnity of Los Angeles as BI claims manager. He has been in claims work 12 years.

Phoenix, Conn., In Underwriting Loss

Phoenix of Hartford had an underwriting loss of \$2,490,703 in 1960 compared with a loss



John A. North

of \$1,441,698 in 1959. Premiums written were \$91,966,365 against \$91,026,268. Unearned premium reserve dropped to \$71,503,695 from \$73,851,000. Policyholders surplus was up to \$141,193,952 from \$138,153,584.

John A. North, president, and Jack D. Taylor, executive vice-president, noted in their report to stockholders that there were 47,000 fewer claims reported in 1960 despite the 9,200 claims from Hurricane Donna. The storm jumped the extended coverage loss ratio from 41% to 51.7%.

The report noted a gratifying reception of the group's Careful Driver, Careful Homeowners, and multi-peril motel policies.

Incurred to earned loss and loss expense ratio was 61.4 and incurred to written expense ratio was 42.3 compared with 61.7 and 42.8 in 1959, respectively.

Investment income rose to \$7,109,114 from \$6,610,219. Net operating gain after taxes was \$4,544,805 or \$4.54 a share compared with \$5,104,314 or \$5.10 a share in 1959. Assets at the end of 1960 rose to \$260,697,254 from \$257,250,713.

O. Agents Oppose Insurer Purchase Of Agencies

Trustees of Ohio Assn. of Insurance Agents have adopted a resolution opposing the purchase and operation of agencies by insurance companies doing business within the agency system. This violates the principle that ownership of renewals belong solely to the agent, whether such agency ownership is direct or indirect.

The trustees also adopted resolutions supporting the position of NAIA in opposition to Sen. Kefauver's District of Columbia rating bill as being not in the public interest and harmful to the independent agent; and supporting the position of NAIA in opposing the uniform surplus lines bill proposed by National Assn. of Insurance Commissioners—for the same reasons.

MacDonald Names Carey

D. K. MacDonald & Co., Seattle, has named David J. Carey vice-president and associate manager of the marine department. For the past 15 years, Mr. Carey has been marine manager at Seattle for Fireman's Fund.



JOHN F. MUNCH, CHIEF LIFE UNDERWRITER, SEMINAR DIRECTOR, AMERICAN UNITED LIFE INSURANCE COMPANY, PRESIDING

Taking the "risk" out of Risk Selection

This is American United's Risk Selection Seminar. It is for American United Reinsurance clients including officers and home office underwriters.

With more than 50 years of experience in Reinsurance and substandard underwriting, American United has mastered the technical intricacies of the field. This background of experience and know-how provides the variety of aids and counsel for our Reinsurance partners.

During the semi-annual Seminars, there are opportunities to explore new ideas, to examine tried and tested routines, to find better ways for client company agents to enter the competitive market with the ability to write any application they are authorized to solicit.

In short, American United helps Reinsurance clients help themselves through seminars as well as through personal consultation. The results are more business, better business, better profits. This is the 'Partnership Philosophy' in spirit and action... the way you'll find it here!

Find out why more and more companies in the East, West, North and South... as well as in Hawaii and Alaska... are placing their Reinsurance business with American United. Call or write H. Hartzell Perry, Vice President, Reinsurance, American United Life Insurance Company, Indianapolis 6, Indiana, Walnut 3-7201.



The Company with the Partnership Philosophy

AMERICAN UNITED LIFE INSURANCE COMPANY • HOME OFFICE: INDIANAPOLIS, INDIANA

ALL ORDINARY LIFE FORMS • FLEXIBLE OPTIONS • LOW NET COST SPECIALS • BUSINESS LIFE INSURANCE • KEY MAN • PARTNERSHIP • ANNUITIES • UNIQUE JUVENILE • GROUP LIFE • GROUP CREDIT INSURANCE • GROUP MORTGAGE INSURANCE • GROUP RETIREMENT • PENSION TRUSTS • NON-CANCELABLE DISABILITY INCOME • GUARANTEED RENEWABLE MAJOR MEDICAL • GUARANTEED RENEWABLE HOSPITAL & SURGICAL • SPECIALISTS IN SUBSTANDARD UNDERWRITING AND REINSURANCE

REINSURANCE
TREATY • FACULTATIVE
EXCESS • CATASTROPHE

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To Sound Underwriting

UNDERWRITERS REINSURANCE SERVICE, INC.
Telephone 1371 Peachtree Street, N. E., Atlanta 9, Ga. Cable Address
Trinity 2-4737 George W. Campbell Jr., President Reinsure Atlanta

Sees Need Of Sharing More With Agents

Companies, not agencies, are on trial today in the eyes of public and agents alike, Worley Jones, Fort Worth, president of Texas Assn. of Insurance Agents, told a recent casualty and surety meeting of the association. Those companies that are sensitive to the needs of the public, and who "care enough to share enough" with the agents who represent them, should enjoy a long and prosperous future operating through local agencies, he opined.

He cited a 10-page ad, in a leading

Rossier Is Advanced

J. E. Rossier has been appointed a manager by Swiss Re at the home office in Zurich. After a period in banking, he joined the company in 1935. In his new capacity he will continue as head of the overseas fire department.

General Investigations

Group Formed By Kennedy

General Investigations group has been formed as a result of reorganization of several investigation corporations headed by John A. Kennedy.

The closely correlated group includes the recently formed John A. Kennedy & Associates Inc., General Investigations Inc., and Investigations Institute.

Working closely with insurance executives, attorneys, fire, police and other law enforcement officers, municipal and government officials, industrial and retail managements, the group will offer a range of investigation potential including fraud, insurance, legal, mercantile and retail fact finding.

Mass. Surety Men Elect

Surety Assn. of Massachusetts at its annual meeting in Boston elected Thomas E. Wilson of Travelers Indemnity president, Charles W. Wirth of Fidelity & Deposit vice-president, Bennett T. Kent of Aetna Casualty secretary, and J. B. McWilliams of Massachusetts Bonding treasurer.

New members of the executive committee are J. P. Herring of Field & Cowles, J. K. MacKenzie of Maryland Casualty, Alvin McNulty of Employers Liability, Elmer Ricker of American Surety, H. E. Rose of Standard Accident, and William Russell of Massachusetts Bonding.

The Dallas office of Lloyd Caldwell Claim Service has been moved to 6424 Gaston Avenue. Telephone number is TAYlor 6-6331.

magazine, which was notable because it mentioned nowhere the company's financial resources but referred 16 times to the company's agents. The ad stated that the advantage of carrying insurance through these agents is the availability of reliable agency service, and further claimed that the company has 34,000 agents in every part of the country ready to serve "in every way every day of the year."

If each of these agents were paid \$1 an hour for a 40-hour week, it would cost the company \$2,080 a year for one person per agency. Yet these persons are not even on the payroll of the company in question but receive their remuneration from commissions produced for this and other fine companies.

Thus, said Mr. Jones, it appears that the greatest asset of a company is its agency force. To support this contention he described another insurance ad in which a life company expressed pride that its agents have increased insurance in force from \$177,500,000 in 1940 to \$4 billion in 1960 without writing group or industrial.

Knows Agents' Value

This development so interested Mr. Jones that he visited the company's general agency in Fort Worth and inquired how the increase had come about. The general agent replied that the company president, having started as an agent, knows the value of agents to a company. Whenever a problem arises in company-agent relationships, this president devotes his personal attention to assisting the production and underwriting forces to resolve any difference between them.

The president invites agents to let him know of their problems, and backs up the invitation with prompt action. He believes that policies should not be designed by actuaries alone, but should

5 Combined Agents Among Award-Winning Salesmen

Five top agents of Combined group were among 41 recipients of distinguished salesman's awards given by Sales-Marketing Executives Club of Chicago. They are James M. Goodin, Charlotte, N. C.; Thomas M. Schumacher, Derby, N. Y.; Jerome P. Bonnett, Wichita; Donald Beckwith, Toronto; and Leo J. Fox, Fond du Lac, Wis.

Combined provided its award-winning agents with red carpet treatment in a four-day, all-expense vacation in Chicago which included sight-seeing, theaters, and supper clubs.

also have the sales appeal that can be furnished by agents. As a result, the average income of each of the company's first 100 representatives has increased from \$4,100 in 1940 to \$40,000 at present.

Mr. Jones is gratified to observe that many leading property and casualty insurance groups and general agents are creating positions of responsibility, staffed by executives of demonstrated production and sales ability, which are designed to cope with marketing problems, competitive conditions, and merchandising methods, both present and prospective. He stressed the importance of considering future marketing potential.

"Adjustments" No Solution

He quoted a past NAIA president as urging that means be found to enable members to "become the com-

petition" so that they can sell effectively and prosper while the companies they represent also prosper. Mr. Jones feels sure that the past president did not refer to "adjustments" in production cost factors or commissions, which have been advocated in some circles as the panacea for all that may confront the business. This attitude lacks the cooperative approach and is shortsighted, because it tends to destroy incentive on the part of the forces who sell and service the company's product.

Some insurance leaders have suggested an increase of 10 percentage points in the production cost factor of rate formulas, in view of increasing work load at company and agency levels, Mr. Jones said.

He closed with a reminder that in the eyes of the public it is the local agent who is the insurance company.

INSURANCE
AND
REINSURANCE
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MANAGERS

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Bruce and
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NO REST

For an adjuster there's NO REST until a claim is settled

BUCKEYE UNION GROUP

The Buckeye Union Casualty Company
The Buckeye Union Fire Insurance Company
The Mayflower Insurance Company
Home Offices: Columbus 16, Ohio

Operating Gain Up For New Hampshire

New Hampshire reports a 1960 underwriting loss of \$1,571,309 compared with a profit of \$115,293 in 1959. Written premiums totaled \$53,723,808 against \$46,067,997. The unearned premium reserve increased by \$369,852. Policyholders surplus rose to \$32,103,117 from \$28,635,223.

Ratio of loss and loss expenses to earned premiums was 64.8 and of incurred to written premiums was 37.8

in 1960. This compares with 60.19 and 38.34 in 1959.

Investment income was up to \$2,501,210 from \$1,880,439 in 1959. The operating profit for the year before realized capital gains increased to \$2,501,210 from \$1,880,439 in 1959. This represents \$5.20 a share on 481,009 shares outstanding, against \$4.70 a share on 400,000 shares outstanding in 1959.

Assets at the end of 1960 were \$99,695,526 compared with \$87,016,599 at the end of 1959. The company has reserved \$1,800,000 as the probable

cost of Hurricane Donna. The directors are recommending stockholder approval of a 5% stock dividend, similar in amount to that paid in 1960.

Jones Named At St. Louis

Alexander & Alexander has appointed Willis C. Jones vice-president in charge at St. Louis. He was formerly manager of the engineering department at Baltimore. He started there with the company in 1946. In 1949, he went to Tulsa and in 1952 returned to Baltimore.

Hanover In Over-All 1960 Operating Gain

Hanover had an underwriting loss of \$1,543,764 in 1960 against a loss of \$1,993,035 in 1959. Premiums written were up to \$42,493,398, an increase of 3.43%.



James L. Dorris

James L. Dorris, president, reported that Hurricane Donna losses amounted to \$675,000.

In 1960, incurred to earned loss and expense ratio was 63.18 and incurred to written expense ratio was 40.11 compared with 62.21 and 41.64 in 1959, respectively.

Investment income rose 17.11% to \$2,699,753 or \$5.37 a share. Operating gain was up to \$1,155,989 from \$312,315 in 1959.

S. C. Hikes EC Rates, Adjusts Farm Charges

South Carolina Insurance Commission has approved a filing by the inspection and rating bureau, calling for a 22.9% extended coverage rate increase. There were some upward and downward adjustments in fire rates, but no over-all increase. The changes apply only to regular fire and EC on dwellings and not to homeowners.

The new EC rates are based on a \$100 wind and hail deductible in sea-coast territory and a \$50 deductible in inland areas.

Fire and EC rates on farm properties have been adjusted. Frame, owner-occupied farm dwelling rates have gone from \$1.27 to \$1.40, while the EC rate has increased from 20 to 26 cents inland and from 38 to 50 cents on the seacoast.

A special farm survey and rating plan has been introduced. Superior frame farm dwelling fire rates are reduced from \$1.27 to \$1. The EC rate inland goes down from 20 to 16 cents and on the seacoast from 50 to 34 cents. All changes are effective March 1.

Cleveland Claim Men Elect Edwards President

Cleveland Claim Managers Council has elected Frank M. Edwards, Aetna Casualty, president.

Other officers are Thomas C. Glaspy, American Surety, vice-president, and Ernest E. Huntoon Jr., Liberty Mutual, secretary-treasurer.

Beadell In Ill. Field

Atlantic Mutual has named Walter E. Beadell special agent at Chicago. He has been an underwriter in the fire department there since 1956. Before that, he was with America Fore in Chicago.

109th Annual Report

AS OF DECEMBER 31, 1960



The Hanover Insurance Company

ASSETS

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|---|--------------|---------------------|
| Cash—In banks and in office | \$ 3,462,955 | |
| Bonds: | | |
| United States Government and Agencies | \$11,974,422 | |
| Government of Canada | 506,467 | |
| State and Municipal | 3,486,344 | |
| Railroad | 246,110 | |
| Public Utility | 12,387,746 | |
| Industrial and Miscellaneous | 6,279,104 | 34,880,193 |
| Preferred Stocks: | | |
| Public Utility | 2,464,300 | |
| Railroad | 146,250 | |
| Industrial and Miscellaneous | 817,500 | 3,428,050 |
| Common Stocks: | | |
| Bank | 2,033,500 | |
| Public Utility | 6,013,096 | |
| Railroad | 1,222,600 | |
| Industrial and Miscellaneous | 8,892,846 | 18,162,042 |
| The Fulton Insurance Company | | 2,189,180 |
| Massachusetts Bonding and Insurance Co. | | 6,692,585 |
| Agency balances not over 90 days due | | 4,162,086 |
| Other admitted assets | | 9,916,904 |
| Total Admitted Assets | | \$82,893,995 |

LIABILITIES

| | | |
|---|---------------------|--|
| Reserve for unearned premiums | \$30,952,222 | |
| Losses in process of adjustment | 18,171,054 | |
| Reserve for federal and other taxes | 1,054,360 | |
| Funds held under reinsurance treaties | 4,971,499 | |
| Reserve for non-admitted reinsurance | 1,791,379 | |
| Reserve for all other liabilities | 2,346,464 | |
| Capital Stock—\$10 par—outstanding | \$ 5,024,700 | |
| Voluntary Reserve | 500,000 | |
| Net Surplus | 18,082,317 | |
| *Policyholders' Surplus | 23,607,017 | |
| Total | \$82,893,995 | |

* Bonds and stocks have been valued in accordance with the requirements of the National Association of Insurance Commissioners. On the basis of December 31, 1960 market quotations for all bonds and stocks owned, total admitted assets would be \$82,689,408 and policyholders' surplus \$23,402,430. Securities deposited for purposes required by law are carried at \$2,327,745 as of December 31, 1960.

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Courtroom 'Numbers Game' Said To Rob Insured Motorists

A "court room numbers game" is taking money out of the pockets of every insured motorist, C. L. Morris, president of Illinois National, warned the casualty industry. Mr. Morris, who is president also of Illinois Insurance Information Service, said that use of box car figures in routine injury cases by plaintiff lawyers is creating an exaggerated "million-dollar court room stratosphere" in which demands have no relation to reality.

He described demands of hundreds of thousands of dollars for relatively minor injuries as a "kind of a courtroom numbers game." Since insurance companies deal only with funds entrusted to them by insured, the man who ultimately pays the bill in the numbers game is the prudent man who pays the premiums.

The public, Mr. Morris said, is now accustomed to newspaper headlines and radio and TV reports proclaiming that "Smith Sues Jones For \$200,000." However, the public seldom notes the sequel, weeks later, when Smith collects \$100 or has his claim rejected and collects nothing.

He pointed out that in cases tried to verdict in Cook County (Chicago) from Sept. 1 through Dec. 31, 1960, a little better than 53% ended in not guilty decisions. Downstate Illinois courts found for the defendant in 52% of verdicts.

Net effect of exaggerated dollar figures is to drive over-all cost of claims through the roof, and this cost is what fixes the premiums the average driver has to pay. He cited figures to show

that demands in simple injury cases run anywhere from eight to 10 times what may be realistically anticipated.

"The man or woman who someday will sit on a jury reads these box car figures and subconsciously gets the impression that a hundred thousand or so dollars seems just compensation for a sprained back," Mr. Morris said. "Then, when a plaintiff lawyer dreams up a demand for \$1.5 million when he files suit, the juror learns of the figures and debates how he can award less than \$100,000 even though the actual damages seem to add up to about \$875.

In current terms of downstate Illinois courts up to the first of this year, amounts demanded amounted to \$2,187,950, of which \$271,215 was awarded, he observed. In Cook County, plaintiff lawyers demanded \$350,000 but collected only \$33,000.

Mr. Morris remarked that the use of box car figures grew so exaggerated in New Jersey that the state supreme court curbed the practice by prohibiting specifying of dollar amount demanded beyond \$5,000. That leaves to the good judgment of a jury the determination of a just and impartial verdict "without the hocus pocus of exaggerated box car figures," he declared.

la. Property, Casualty Men Choose Engleman

Robert Engleman, Western Mutual, has been elected president of Iowa Property & Casualty Underwriters Assn. Donald Kruger, Iowa Farm Bureau Mutual, is vice-president, and Robert Anderson, State Automobile & Casualty Underwriters, is secretary-treasurer.

Show Rise In California Jury Awards Last Year

The average dollar amount of personal injury plaintiff jury awards in San Francisco and Los Angeles rose sharply in 1960 compared to 1959, according to an analysis by Insurance Information Institute.

In San Francisco in 1960 the personal injury jury award average was \$21,491 for 159 plaintiff verdicts. In 1959 it was \$15,018 for 187 plaintiff verdicts. Last year in Los Angeles the personal injury jury award average was \$14,594 for 346 verdicts, and in 1959 it was \$12,143 for 407 plaintiff verdicts.

Clyde M. Marshall, Pacific Coast advisory committee chairman of III, pointed out that in areas where studies have been made, jury award averages consistently outstrip the cost-of-

Employers Re Names Three To New Posts

Three assistant secretaries have been named at Employers Reinsurance: Robert D. Brown, Milton W. Kelly and John Pelot.

Mr. Brown, chief A&S underwriter, joined the company in 1952. He is a past president of Kansas City Risk Selectors Club.

Mr. Kelly has been with the company since 1956 and is on the claims legal staff.

Mr. Pelot has been with the company three years.

living index. More important than the individual awards comprising the averages is the impact that they have in boosting the general settlement level of similar cases paid for by insurance companies.

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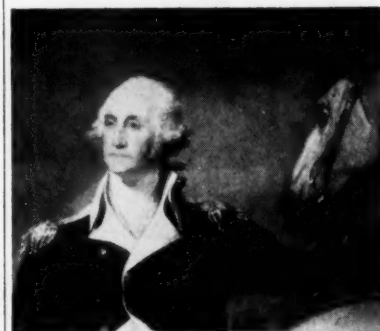
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Conventions

- March 13-15, National Assn. of Mutual Insurance Agents & Texas mutual agents, combined midyear, Shamrock-Hilton Hotel, Houston.
- March 13, Rhode Island agents, midyear, Sheraton-Biltmore Hotel, Providence.
- March 14, New Jersey agents, midyear, Cherry Hill Inn, Haddonfield.
- March 14, Pittsburgh 1-Day, Hilton Hotel.
- March 17-18, Mississippi mutual agents, annual, Edgewater Gulf Hotel, Edgewater Park.
- March 23-24, Conference of Mutual Casualty Companies, underwriting conference, Conrad Hilton Hotel, Chicago.
- March 23-25, Southern Agents Conference of NAIA, annual, Robert Meyer Hotel, Jacksonville, Fla.
- April 5-7, National Assn. of Independent Insurers, workshop, Edgewater Beach Hotel, Chicago.
- April 5-7, Pacific Coast Advisor Assn., annual, Biltmore Hotel, Santa Barbara, Cal.
- April 9-11, Florida mutual agents, annual, Galt Ocean Mile Hotel, Ft. Lauderdale.
- April 9-11, Midwest Territorial Conference of NAIA, annual, LaSalle Hotel, Chicago.
- April 9-11, New York mutual agents, annual, Hotel Syracuse, Syracuse.
- April 9-13, National Assn. of Surety Bond Producers, annual, St. Francis Hotel, San Francisco.
- April 11-12, Arkansas mutual agents, annual, La Fayette Hotel, Little Rock.
- April 14, National Assn. of Insurance Commissioners, unauthorized insurance committee, Sherman Hotel, Chicago.
- April 16-18, Alabama mutual agents, annual, Town House Hotel, Mobile.
- April 16-18, Eastern Agents Conference, annual, Sheraton Hotel, Philadelphia.
- April 17-18, Iowa mutual agents, annual, Savery Hotel, Des Moines.
- April 17-18, Ohio mutual agents, annual, Neil House Hotel, Columbus.
- April 17-19, National Assn. of Insurance Agents, midyear, Philadelphia.
- April 19, Chicago 1-Day, annual, Conrad Hilton Hotel, Milwaukee 1-Day, annual, Schroeder Hotel, Milwaukee.
- April 20-21, Missouri mutual agents, annual, Hotel Governor, Jefferson City.
- April 20-21, Southern Claims Conference, annual, Dinkler-Plaza Hotel, Atlanta, Ga.
- April 23-25, National Assn. of Insurance Commissioners, Zone V, Town House Hotel, Omaha.
- April 23-27, American Assn. of Managing General Agents, annual, Camelback Inn, Phoenix.
- April 25-27, National Assn. of Insurance Commissioners, Zone II, Dupont Hotel, Wilmington.
- April 27, Insurance Rating Bureau of District of Columbia, annual, Army & Navy Club, Washington, D. C.
- April 27-28, National Assn. of Casualty & Surety Agents, midyear, Sheraton-Belvedere Hotel, Baltimore.
- May 1-2, Minnesota mutual agents, midyear education seminar, Pick-Niccollet Hotel, Minneapolis.
- May 3-5, Casualty Actuarial Society, midyear, Concord Hotel, Klamasha Lake, N. Y.
- May 4-5, Central Claim Executives Assn., annual, Arlington Hotel, Hot Springs, Ark.
- May 4-5, Conference of Mutual Casualty Companies, claim conference, Conrad Hilton Hotel, Chicago.
- May 5-6, Louisiana agents, annual, Edgewater Gulf Hotel, Edgewater Park, Miss.
- May 5-7, Montana mutual agents, annual, Diamond S. Ranchotel, Boulder, Mont.
- May 7-9, Alabama agents, annual, Russell-Erskine Hotel, Huntsville.
- May 7-9, Virginia & D. C. mutual agents, annual, Williamsburg Inn, Williamsburg.
- May 7-10, New York State agents, annual, Syracuse Hotel, Syracuse.
- May 8-10, Health Insurance Assn., annual, Biltmore Hotel, New York City.
- May 8-11, National Assn. of Insurance Brokers, annual, Fairmont Hotel, San Francisco.
- May 9, Assn. of Casualty & Surety Companies, annual, Waldorf-Astoria, New York City.
- May 9, Wisconsin agents, midyear, Hotel Lorraine, Madison.
- May 12-13, Mountain States mutual agents, annual, Harvest House, Boulder, Colo.
- May 12-13, Oklahoma agents, annual, Biltmore Hotel, Oklahoma City.
- May 14-15, Nebraska mutual agents, annual, Town House, Omaha.
- May 14-16, Iowa agents, annual, Savery Hotel, Des Moines.
- May 14-16, Pennsylvania agents, annual, Bedford Springs Hotel, Bedford.
- May 14-17, Insurance Accounting & Statistical Assn., annual, Biltmore Hotel, Los Angeles.
- May 16-19, National Assn. of Independent Adjusters, annual, Sheraton Towers Hotel, Chicago.
- May 18-19, Arkansas Agents, annual, Arlington Hotel, Hot Springs.
- May 18-20, Texas agents, annual, Galveston.
- May 21-23, Tennessee mutual agents, annual, Riverside Hotel, Gatlinburg.

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N. Y. Young Man Of Year Award To W. B. Gordon

Ward B. Gordon of Marsh & McLennan was named the winner of the 1960 Insurance Young Man of the Year award given by New York Young Men's Board of Trade. He accepted the award at a luncheon given in his honor at the Hotel New Yorker. Mr. Gordon is chairman of the organization's community development committee.

He is an instructor at the school of Insurance Society of New York and in 1959 won the Anglo-American fellowship award, sponsored by Ben D. Cooke president of Agency Managers Ltd., and presented by the school on the basis of a competitive test, character and an essay on reinsurance. The award included a six week trip to England to study the reinsurance market.

America Fore Loyalty Ads Feature National Goals

A series of nine full page national magazine advertisements in four colors has been launched by America Fore Loyalty. The series, created and produced in the national interest, carries the theme: "Our Destiny Is In Our Own Hands."

In announcing the series, J. Victor Herd, chairman of the group, said: "America Fore Loyalty is currently helping remind millions of Americans what has been done—and what must be done—to preserve our freedom and our American way of life. There is no sales message here as far as our insurance group is concerned. The product we are selling is the need for strength of purpose in each individual, and confidence in our country's destiny in a troubled world."

Each ad brings into focus a meaningful event of the American revolution. The subjects are from the group's collection of historical paintings by distinguished artists. The series is appearing in the Saturday Evening Post, Life, Reader's Digest, Fortune and National Geographic.

Kemper Transfers Farner To Home Office Fire Staff

Kemper companies have transferred George J. Farner from Summit, N. J., to the home office fire staff where he will specialize in commercial multiple line risks. He was fire manager at Summit for over two years, and he has been in insurance 32 years, the past three with the Kemper group.

State Capital Elections

State Capital of North Carolina has elected J. G. Staples vice-president and general manager. He has been with the company since 1955. Ray M. Galloway was elected vice-president and J. L. Perry assistant vice-president. Larry D. Hooks, formerly manager of the accounting department, was named assistant treasurer.

The directors voted to change the company's dividend policy from a straight cash dividend to a cash plus a stock dividend. A quarterly cash dividend of 10 cents a share and a 4% stock dividend were declared, payable March 20 to stockholders of record March 6.

Farm Bureau Mutual Promotes Hayward To Minn. Agency Head

Farm Bureau Mutual of Des Moines has named John Hayward, formerly associate sales director, agency direc-

tor for Minnesota. He joined the company in 1945 as claims adjuster in southern Iowa and became claims supervisor in 1947. In 1953 he became general manager of the newly formed Minnesota Farm Bureau Mutual and when this company merged with Farm Bureau Mutual in 1958, he became associate sales director.

Schedule Kentucky School

The Kentucky all-industry insurance school will be held at Western State College, Bowling Green, Ky.,

March 13-17. After the sessions, the state insurance examination will be conducted by a representative of the Kentucky department.

The sessions will be sponsored by Kentucky Assn. of Insurance Agents, Kentucky Assn. of Mutual Insurance Agents, Kentucky Fire Underwriters Assn., Kentucky Assn. of Casualty & Surety Managers and other segments of the industry.

Other sessions of the school will be held as follows: Louisville, May 8-12; Henderson, Sept. 11-15; Louisville, Oct. 9-13.

Harleysville Mutual 1960 Results Better

Harleysville Mutual group showed a consolidated underwriting gain of \$542,269 for 1960, representing a profit of 2% in contrast to a loss of almost 2% the year before. Premiums written rose 2% to \$27,266,000. Policyholders surplus was up 8% to \$13,013,000.

Arthur A. Alderfer, president, reported that in 1960 nine out of 10 private passenger cars insured by the group earned credit of 15% on rates.

FEDERAL INSURANCE COMPANY

Sixtieth Annual Statement

December 31, 1960

DIRECTORS

ARTHUR M. ANDERSON

HOWARD S. BUNN
Vice Chairman of the Board
Union Carbide Corporation

PERCY CHUBB 2ND
Chubb & Son Inc.

RICHARD B. EVANS
President
The Colonial Life Insurance
Company of America

EMORY S. LAND
Vice Admiral
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Bankers Trust Company

NATHAN MOBLEY
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EDMOND J. MORAN
President
Moran Towing & Transportation
Co., Inc.

RICHARD D. NELSON
Executive Vice President and
Secretary
The Colonial Life Insurance
Company of America

J. RUSSELL PARSONS
Chubb & Son Inc.

JUNIOUS L. POWELL
DONALD J. RUSSELL
President
Southern Pacific Company

FREDERICK A.O. SCHWARZ
Davis Polk Wardwell
Sunderland & Kiendl

BERNARD M. SHANLEY
Shanley & Fisher

ARCHIE M. STEVENSON
Chubb & Son Inc.

LONDON K. THORNE

HAROLD T. WHITE, JR.
White, Weld & Co.

ASSETS

| | |
|---|----------------------|
| United States Government Bonds | \$ 58,451,886 |
| All Other Bonds | 42,502,617 |
| Preferred and Guaranteed Stocks | 5,409,497 |
| Common Stocks | 73,189,571 |
| Stock of Vigilant Insurance Company | 15,960,874 |
| Stock of Great Northern Insurance Company | 5,121,371 |
| Stock of Colonial Life Insurance Company | 4,923,051 |
| Cash | 10,006,624 |
| Premiums not over 90 days due | 4,786,781 |
| Other Assets | 4,710,369 |
| TOTAL ADMITTED ASSETS | \$225,062,641 |

LIABILITIES AND SURPLUS TO POLICYHOLDERS

| | |
|--|----------------------|
| Unearned Premiums | \$ 47,395,168 |
| Outstanding Losses and Claims | 36,706,866 |
| Dividends Payable | 1,748,353 |
| Taxes and Expenses | 6,099,353 |
| Funds Held under Reinsurance Treaties | 4,412,719 |
| Non-Admitted Reinsurance | 6,054,825 |
| TOTAL LIABILITIES | 102,417,284 |
| Capital Stock | 13,986,828 |
| Surplus | 57,995,451 |
| Unrealized Appreciation of Investments | 50,663,078 |
| SURPLUS TO POLICYHOLDERS | 122,645,357 |
| TOTAL | \$225,062,641 |

Investments valued at \$7,666,783 are deposited with government authorities and trustee as required by law.



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90 John Street, New York 38, N. Y.

Ocean and Inland Marine

Transportation • Fire and Automobile • Fidelity • Surety • Casualty
Aviation Insurance through Associated Aviation Underwriters

Issue Book 10 Of Senate Insurance Study

Part 10 of the report on its insurance investigation has been issued by the Senate anti-trust and monopoly subcommittee. This one covers operations of foreign insurers and includes testimony taken in May and June, 1960.

Included in the latest volume, which, unless the subcommittee undertakes new hearings, will be the last, are the stories of London Lloyd's, several discussions of surplus lines operations

over the country, the narrative of the complicated Inland Empire mess, the appearance of Stewart B. Hopps, and a description of how some American insurers have set up reinsurance facilities abroad, a subject which has been under continuing examination by the Treasury Department.

Standard Fire of New Jersey stockholders have turned in 94.7% of outstanding stock in response to the exchange offer made by Reliance. The offer, effective with submission of 80% of the stock, expires April 10.

Farmers Mutual Hail Reports A Profitable Year

Farmers Mutual Hail of Des Moines reports net underwriting income for 1960 amounted to \$1,535,358. This, along with investment income of \$265,110 and miscellaneous income brought total net income to \$1,807,083. Premium writings of \$10,918,593 represent an increase of 7.3% over 1959. Surplus increased by \$1,335,347. All of the company's departments (crop hail, turkey insurance and reinsurance) proved profitable last year.

Dismiss \$330,000 Highway Suit Against Clyde Korman

Dismissal of a \$330,000 suit against Clyde L. Korman, executive vice-president Fidelity General of Chicago, was ordered last week by Judge Kluczynski in circuit court at Chicago. Mr. Korman argued no cause of action and made motion for dismissal, which was allowed. Plaintiff Highway Ins. Co. of Chicago intends to appeal.

Mr. Korman is cleared by the dismissal of any role in the \$1,500,000 embezzlement several years ago from Highway. Harry V. Gralnek, who helped found the company with Mr. Korman, admitted the embezzlement and is serving a prison term for it. However, in 1959 suit was brought by Highway against Mr. Korman alleging that he had taken part in Gralnek's manipulations and charging illegal conversion of Highway funds.

Mr. Korman maintained that he had no connection with the funds involved in the suit; that they never were Highway funds to begin with but were instead money collected by insurance agents and brokers, paid to Gralnek by checks made payable to Gralnek and then retained by Gralnek.

Left Highway

Mr. Korman left Highway, where he was a vice-president and director, in the wake of the embezzlement and after a financial reorganization and rehabilitation was undertaken.

Mr. Korman has a suit pending against the new management of Highway charging that during the rehabilitation \$3,500,000 was misappropriated. This suit, before Judge Butler in superior court, asks in behalf of all Highway stockholders the return of \$3,500,000 to the company and the return of all Highway stock which Mr. Korman and other stockholders turned over to the reorganization group without recompense to further the rehabilitation. The defendants, all of whom are officers and/or directors of Highway, are Russell H. Matthias, John J. Fahrenbach, Robert L. Brody, Russell H. Matthias Jr., and Wallace J. Stenhouse Jr.

Mr. Korman was successful a few weeks ago in having an injunction set up against the use of any Highway funds to defend the suit brought by Mr. Korman, and all the named defendants except Mr. Brody were barred from drawing any pay or compensation from Highway pending disposition of the suit. This is being appealed.

Aetna Fire has appointed Seaton A. Jackson special agent in Georgia.

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You'll find the businessman receptive to Afco's many time-saving, money-saving advantages. With one monthly check for all his insurance, he gets the complete protection he needs. He avoids big lump-sum payments that drain his working capital. He avoids having to contend with irregular due dates that are likely to come up at the wrong time of the year.

For you, Afco means bigger sales, bigger commissions, lower operating costs. It means

you can meet competition on all fronts—bring in, or hold onto, large commercial accounts. And it means you can package policies of more than 500 agency insurance companies in one payment schedule.

The Commercial Accounts Department at each of Afco's offices provides fast, individualized service and will tailor-make a payment plan to suit the requirements of a particular businessman. Afco's attractive rates on commercial accounts are generally lower than bank rates. Even lower quotations will be made for accounts over \$20,000.

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MIAMI
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Excelsior Improves Operations In '60

Excelsior had an underwriting gain of \$98,660 in 1960 compared with one of \$60,247 in 1959. Premiums written were up 30% to \$1,946,881. Unearned premium reserve rose 11.4% to \$1,861,971 while policyholders surplus gained 6.3% to reach \$1,897,429.

Ratio of losses and loss expenses to premiums earned was 48.9 and the ratio of other expenses to premiums written was 41.1 compared with 51.8 and 42.7 in 1959, respectively.

Net investment return in 1960 was \$112,170. The company had earnings before federal taxes of \$286,783 or \$1.59 a share, compared with \$204,318 or \$1.13 a share in 1959, and \$176,602 or 98 cents a share in 1958.

Fireman's Fund Recognizes Field Men For Production

Fireman's Fund honored C. H. Sutphen, manager of its New York metropolitan branch, and 16 field men at a luncheon in recognition of outstanding performance in the group's "line of the month" production program in 1960. The field men were awarded certificates for their attainments.

David J. Sherwood, assistant vice-president of the eastern department, congratulated the men for their substantial contribution in the sale of accounts receivable and business interruption forms. The certificates were presented by Charles S. Cooper, research, development and sales department manager of the eastern department. William J. Iliff, assistant manager of that department, also attended.

Fey, Vong Appointed By Millers National

Ernest J. Fey and Richard H. Vong have been appointed assistant secretaries of Millers National. Mr. Fey started with the company in 1951, and in his new capacity, he will be superintendent of the claims department. Mr. Vong, who becomes superintendent of the inland marine and multiple line department, has been with Millers National since 1946.

Preferred Names Plett Livestock Manager

Preferred of Grand Rapids has appointed James F. Plett manager of the livestock insurance division.

Mr. Plett is well-known in the horse breeding and racing fraternity and is a member of the board of Horseman's Benevolent & Protection Assn.

Dawson Joins La. Agency

Norman A. Dawson of London has joined the Hartwig Moss agency of New Orleans as secretary in the marine department. He was formerly marine manager with Sir William Garthwaite Insurance Ltd., London, and has acted as a broker and underwriter at Lloyd's. He will supervise hull and cargo operations of the marine department of Hartwig Moss. At present he is familiarizing himself with the operation of Price-Forbes & Co., the agency's London broker at Lloyd's, and will join the agency in New Orleans on April 1.

New General Accident Branch

General Accident has converted its Cleveland service office to full branch office status. Thomas McGill Jr. has been named branch manager. He has been in charge of the former service office since early 1960.

Hand Winds Up Long Career With U.S.F.&G.

Arthur J. Hand, superintendent of fidelity and surety development in the New York office of U.S.F.&G., is retiring March 1 after 45 years with the company. He was honored by more than 100 associates and friends at a retirement dinner.

Mr. Hand began his career with the company in 1915 as an office boy in the judicial department. He was later in the accounting division before being named a superintendent of sales. In 1950 he became special agent in New York and in 1955 he advanced to superintendent of fidelity and surety.

Mountain States Assn. Elects McGlone President

Mountain States Capital Stock Insurance Assn. (now combining that organization and Rocky Mountain Casualty & Surety Assn.) elected Robert J. McGlone, Crum & Forster, president at the February meeting.

J. Darrell White, Braerton, Simonton & Brown, was named vice-president, and Charles K. Warner, Daly general agency, secretary-treasurer.

Two Coverages Not Marine

The committee on interpretation has ruled that an oil lease property form on tanks, equipment, and personal property of a mobile or floating nature cannot be classified as inland marine. The committee also held that it is not consistent with the marine definition to include under a bailees customers policy, coverage of insured's furniture and fixtures, machinery and tools, and improvements and betterments.



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for BIGGER SALES... BIGGER PROFITS
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Four Star

BUDGET PLAN

FOR INSURANCE PROGRAMING
use this COMPETITIVE SELLING ADVANTAGE to
make 1960 (and all the
coming years) YOUR
BEST SELLING YEAR!

OHIO FARMERS
Four Star
BUDGET PLAN

Ohio Farmers Companies
OHIO FARMERS INSURANCE COMPANY—CHARTERED 1848
SUPERIOR RISK INSURANCE COMPANY—LE ROY, OHIO

Ohio Farmers

Four Star

BUDGET PLAN

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"Agent Approved!" Significant words?
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1. Ohio Farmers new 4-Star Budget Plan is the simplest and most effective method of selling insurance in this installment conscious world . . . and 4-Star is available exclusively to the Ohio Farmers agent.
2. Ohio Farmers agents have given 4-Star their wholehearted approval and are

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Get in touch with an Ohio Farmers fieldman to learn how "Agent Approved" 4-Star Budget Plan can become your best "Buyer Approved" plan.

It's the *Sensible* Way to SELL Insurance.

Ohio Farmers Companies

OHIO FARMERS INSURANCE COMPANY, CHARTERED 1848
SUPERIOR RISK INSURANCE COMPANY, LE ROY, OHIO



Finds Certain Smaller Insurers Write Too Much Coverage On Single Risks Of Too Great Hazard At Too Low Rates

During 1960 the New York department examined 38 cooperative assessment fire insurers domiciled in that state, in line with its present practice of examining all companies at least every three years, John F. Joyce, acting deputy superintendent, said in a

talk at the annual meeting in Albany of New York Central Organization of Cooperative Fire Insurance Companies. The examiners, in conducting their field work, and Mr. Joyce, in reading the reports and discussing them with the examiners, find an increasing ten-

dency towards the insuring of single risks in amounts far beyond the capacity of the primary company to absorb in the event of loss.

Mr. Joyce said that these companies at times insure risks of too great hazard. He emphasized the need of sound underwriting and the dangers of poor underwriting or, as in many cases, no underwriting at all. He pointed out a few "horrible examples."

Some companies with less than \$200,000 in surplus are writing single risks of \$50,000 and even \$100,000, Mr. Joyce said. It appears obvious that

they have not given full consideration to the possible effect on their financial condition in the event of loss. Basically, every insurer must stand on its own feet and in the long run pay its own losses, he declared. Reinsurance does not relieve the original writing company from its direct liability, but merely levels off the peaks and valleys.

Can't "Cede And Forget"

If the reinsurer pays losses in excess of premiums from the primary company, it increases its rates to that company in an amount calculated to recover the excess over a period of years. No insurer, he said, can "cede and forget."

One cooperative, Company A, has gross insurance in force of \$19 million, with 2,300 policyholders. In 1959 it ceded \$5 million to the reinsurer at a rate of \$2.20, for a cost of \$11,000 to cover the cession. In 1959 Company A recovered \$73,000 from its reinsurer. This included one \$62,000 loss. Without this loss, the reinsurance recovery would have been \$11,000, or less than one-sixth of the actual total.

Company A paid the reinsurer \$11,000 and received \$73,000, thereby incurring a deficit in its account with the reinsurer of \$62,000 for 1959 and, for the five-year period ending Dec. 31, 1959, a deficit of approximately \$50,000. The reinsurer's 1960 rate was \$4.20 per \$1,000. On the same volume of cessions, \$5 million, the 1960 assessment was \$21,000, an increase of \$10,000.

The gross fire assessment income of Company A is \$53,000. After deducting the \$21,000 paid for reinsurance, the company would have \$32,000 remaining. Losses and expenses in the four-year period ending Dec. 31, 1959, was \$39,000 a year.

Gets \$8,000 Less Than Reinsurer

Further, at a writing cost of \$3, the \$5 million of ceded reinsurance produced an income of \$15,000 for the primary company less approximately \$2,250 paid in commissions, or a net of \$12,750, whereas the company will pay \$21,000 to reinsure this amount. Therefore, in 1960, as a result of the excessive loss on a single risk, this company paid approximately \$8,250 more for its reinsurance than it received for writing the business.

What would the effect be of another loss of \$50,000 or \$75,000? Yet, Mr. Joyce said, examination disclosed that this company has more than 30 risks on its books that could result in further losses of this size, with the resultant drain on surplus. He wondered if the officers and directors of the company understand the limitations of reinsurance.

The department believes Company A should review its entire business to determine a reasonable, safe limit to write on a single risk. Failure to do so, he indicated, would demonstrate

(CONTINUED ON PAGE 30)



Member Companies

| | Est. |
|--|------|
| THE CONTINENTAL INSURANCE COMPANY | 1853 |
| FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY | 1855 |
| FIDELITY-PHENIX INSURANCE COMPANY | 1874 |
| NIAGARA FIRE INSURANCE COMPANY | 1850 |
| THE FIDELITY AND CASUALTY COMPANY OF NEW YORK | 1875 |
| NATIONAL-BEN FRANKLIN INSURANCE COMPANY OF PITTSBURGH, PA. | 1866 |
| MILWAUKEE INSURANCE COMPANY OF MILWAUKEE, WIS. | 1852 |
| COMMERCIAL INSURANCE COMPANY OF NEWARK, N. J. | 1909 |
| THE YORKSHIRE INSURANCE COMPANY OF NEW YORK | 1926 |
| SEABOARD FIRE & MARINE INSURANCE COMPANY | 1929 |
| NIAGARA INSURANCE COMPANY (BERMUDA) LIMITED | 1959 |
| ROYAL GENERAL INSURANCE COMPANY OF CANADA | 1906 |



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Gives World-Wide View Of Effects Of Mergers, Large Risks, Air Traffic And Auto Liability On The Business

The major developments in the business today as they are exhibiting themselves in the United States are world-wide. This fact is reflected in the comments of P. Keller, chairman of Swiss Re, at the annual meeting of that company last year in Switzerland.

The comments, carried in the Review of London, dealt with mergers and their effect in transforming markets for the reinsurers, and with the increasing size of individual risks for which insurance is sought. Mr. Keller also reported that as of Jan. 1, 1960,

after years of preparatory study, Swiss Re began use of electronic data processing machines.

Nationalization was the thing that claimed the attention of insurers in the years after World War II, but now it is the mergers of insurers, which are transforming conditions in important markets, particularly in Great Britain and the United States, Mr. Keller commented. Such mergers gave rise to more powerful operating units commanding even greater capital, which allows them to accept larger risks with higher retentions. This has undesirable effects

for the reinsurer on long-standing connections. The reinsurer loses some of its volume in the course of these structural changes induced by mergers. Hence the reinsurer must see how, through rendering new services on the old markets and through intensive operations on new markets, it can offset such losses.

Insurers In Young Countries

Mr. Keller is convinced that it is in supporting new insurers in young countries Swiss Re's technical experience and capital strength can be put to good use. Even in older countries merger tendencies are inviting more intensive cultivation of markets. When as a result of mergers great entities arise, to which the services of the professional reinsurer are less essential, it would seem right to follow up the smaller and average-sized companies more intensively. He also observed that North American Reassurance is in the life reinsurance business in the U.S.

It is in the young countries, he observed, that there is needed as close a knowledge as possible of local customs and conditions. Experience of Swiss Re up to now in the young, developing countries shows that these requirements are not everywhere fulfilled. This involves the reinsurer in special risks and demands extra care. Consequently, the reinsurer frequently, or perhaps constantly, will need to be present. While this increases general expenses, it seems the one way which in the long run will bring success and prevent expensive errors.

Large Single Risks

The insurance of large risks, such as modern economic growth involves, creates problems of coverage of unprecedented gravity, Mr. Keller stated. It demands a world-wide insurance organization and in the solution of the problem the financially stable and efficient professional reinsurer must again find its rightful place.

Present day units of industrial production and transport organizations make increasing demands on insurance, he said. Sums are involved which until recently were unheard of in the market. Modern factories—e.g., in the motor car industry—or refineries reach values insured of a million Swiss francs and more. The new methods of manufacture require ever more efficient machines and the use of the production line leads to vast assembly shops. In such buildings, partitions, which in the event of conflagrations used to help localize the damage, are dispensed with and new hazards are created. More and more numerous and expensive electronic regulating machines raise the amount of capital invested and can very quickly turn an insurance loss into a spectacular major claim. When it is not only the invested values which are insured but when, as is normal, cover also is sought for the loss of profits caused by business interruption, the insurance industry is called upon to face requirements which only a financially powerful organization can meet.

Cumulative Risk

There is also, he pointed out, possible accumulation of risk in the spread of damage, as in the Frejus dam burst. This can, however, result also from the liability of a manufacturer for a faulty product, say in the pharmaceutical industry, which reaches thousands of consumers.

He also noted that during the year he had under review, 1959, unlimited cover in automobile liability was introduced in Switzerland. This is, he

(CONTINUED ON PAGE 36)



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BITUMINOUS FIRE AND MARINE INSURANCE COMPANY • ROCK ISLAND, ILLINOIS

Offers Ideas For Smoothing Out Some Of The Rough Spots In Rules, Forms, Manuals, Rates

Constructive suggestions for improvements in forms, procedures and manuals in the fire and casualty business were offered registrants at the midyear meeting of Michigan Assn. of Insurance Agents in Detroit by Alfred R. Kelley of the Lanphar-Kelley agency of Detroit in a carefully thought-out paper that received considerable praise from those on the rostrum and members of the audience.

Mr. Kelley's approach was based on practical experience, and, judging from comments following his talk, most of the changes or improvements he recommended had the endorsement of a high percentage of agents.

Mr. Kelley observed that the fire business is far ahead of casualty in preparation and endorsement of policies. Whether an agent has one fire

company or two dozen, if he writes a policy on a dwelling or mercantile building, the same pad of forms 49 or 18 will do for each company, and if he is to endorse the policy, form 60 will do the job most of the time. This applies to all fire lines—one set of forms for all companies.

But in casualty insurance, each company requires its own forms, so that an agent representing six companies has to have six different piles of forms.

"Does it make sense that if we are going to change a car on an automobile policy or the size of a piece of glass on a glass policy that we not be allowed to use forms out of the same pad for every company?" Mr. Kelley asked. "If we increase the limits on an OL&T or amend the name of an insured on a burglary policy, why not have a single uniform form to do the job for any company? If the casualty companies got together and decided on uniform forms, I'll bet a lot more agents would be writing and endorsing their own casualty policies than do so now. But until we have uniform forms in the casualty business, most agents will continue to get the most simple endorsements from the companies which not only make double work but slows down the whole process."

Carries Into Claim Field

He remarked that this carries into the claim field. In fire, 90% of the companies use a standard form for fire, wind and allied losses, but in casualty each company has its own accident report form for each line. Mr. Kelley wondered, "Why don't the casualty companies follow the lead of the fire business and get together on uniform policies, uniform forms and uniform loss blanks?"

Mr. Kelley exhibited a stack of casualty manuals and said when he goes on calls he has to take them all with him in order to be prepared for any eventuality. This makes for a fat brief case. Then he showed a single manual put out by an independent company that carries all the casualty information he needs on a call, including automobile liability and physical damage, burglary, glass, public liability and even some bonds. This company provides at least 95% of what is needed in a casualty manual in one book, and even throws in some extra material explaining why an agent should sell its policies. So, Mr. Kelley asked, "Why not a simplified casualty manual—one book, not four or five?"

Of the bureau manuals in use, the worst is the automobile book, Mr. Kelley said. By the time the agent looks up the territory, car symbol, obtains basic limit rates for BI and PDL, checks out the point charts, figures the increased limits and medical payments rates, and does the same thing for comprehensive and collision, he has referred back and forth a dozen times or more to quote on a single car. If there are two cars, the process has to be repeated.

When the bureau designed its special auto policy manual it took a great step forward, reducing the back and forth flipping of pages to a minimum. Mr. Kelley said there is no reason why the family policy could not be just as simple to rate if the people designing the manuals put their minds to it. He commented that it was pointless in Michigan that BI be shown first as 5/10. He proposed that the 10/20 rate

(CONTINUED ON PAGE 32)

FORTY-EIGHTH ANNUAL STATEMENT

December 31, 1960

ASSETS

| | |
|--|---------------------|
| United States Government Securities | \$ 5,072,721 |
| Industrial, State, Municipal and Other Bonds | 34,680,408 |
| Industrial, Utility and Bank Stocks | 17,694,991 |
| Investment in Globe Security Insurance Company | 1,883,000 |
| Accrued Interest on Investments | 429,310 |
| Cash in Banks and Offices | 2,187,902 |
| Premiums Due (Not Over 90 Days) | 2,085,383 |
| Other Assets | 307,436 |
| Total Admitted Assets | \$64,341,151 |

LIABILITIES

| | |
|---|---------------------|
| Reserve for Unpaid Claims | \$32,114,085 |
| Reserve for Unearned Premiums | 11,977,706 |
| Reserve for Taxes, Expenses, and Unabsorbed | |
| Premium Refund | 2,031,968 |
| Reserve for All Other Liabilities | 1,604,570 |
| Reserve for Market Decline | |
| in Securities | \$ 5,000,000 |
| Guaranty Fund | 1,000,000 |
| Unassigned Funds | 10,612,822 |
| Total Surplus to Policyholders | 16,612,822 |
| Total Liabilities and Surplus | \$64,341,151 |

Valuation of securities on National Association of Insurance Commissioners Basis. Securities carried at \$2,165,971 in this statement are deposited as required by law.



REINSURANCE

FIRE - CASUALTY

FIDELITY - SURETY

Security Mutual Casualty Company

CHICAGO 6, ILLINOIS

L. A. County Health Plan Details Are Released; Two Alternatives Are Available

Specifications for the health and hospitalization program for Los Angeles County employees have been outlined by the city's board of supervisors.

The plan will be one of the largest public employee health programs in the United States, covering more than 30,000 employees. It is expected to begin operations in the 1961-62 fiscal year.

The board's decision culminated 18 months of study by the supervisors and their medical-hospital insurance plan committee. Employees will have a choice of two arrangements: One underwritten by an insurance or service organization and offering private choice of physician, or another to be offered by a comprehensive clinic organization, with staff care.

Wade To S. F. For General Adjustment

General Adjustment has appointed Charles F. Wade regional casualty automobile supervisor at San Francisco, succeeding R. R. Windeler, resigned.

Mr. Wade began in the business with Royal-Globe group in 1949 and joined Phoenix of London group in 1952, subsequently becoming regional claims manager and assistant U. S. claims manager in New York.

Reid Is Claims Manager Of Universal Automobile

Universal Automobile has appointed Arthur B. Reid claims manager. A member of the Illinois bar, he has had previous experience in the claims and legal departments of Michigan Mutual Liability, United States Casualty, and Reliance Service Bureau.

Cincinnati Promotes Three

Robert J. Driehaus has been elected treasurer of Cincinnati Ins. Co.; Robert B. Woods and Hayden D. Davis become vice-presidents.

Mr. Driehaus joined Cincinnati in 1954 and was chief accountant until 1959 when he was made assistant treasurer.

Mr. Woods, formerly assistant secretary, joined the company in 1957 and headed casualty operations.

Mr. Davis has been assistant vice-president since he joined Cincinnati in 1957 to take charge of the loss department.

Editorial Comment

New, New; Nu, Nu; No, No

When the new homeowners came out, there was considerable discussion of the form and its rates. When the next edition of the form was issued at revised rates, it won the somewhat acidulous description of "new, new" homeowners. This form, and in particular the allowance for commissions, was treated with increasing acerbity by agents and even some company people. Agents were not only upset by the rapidity with which, in many places, one form succeeded the other, but also by a combination of lower rates and lower commission percent-

age.

Subsequently, one observer who, apparently, had been reading reports from the United Nations, began to call the latest edition of the form the "nu, nu" homeowners.

This suggests one further step in terminology, for use by those who don't like the form, or the rates, for one reason or another. Maybe they should call it the "no, no" homeowners. As for this corner, it is waiting. Eventually, the public will vote, and since they pay for it, that will be the election.—K.O.F.

Yo Ho Ho And A Package Of Protection

In the wake of the piratical seizure earlier this year of the cruise ship Santa Maria, American Institute of Marine Insurance quickly and appropriately pointed out that marine policies cover such a contingency. Fortunately, no U.S. insurers, at last reports, had written coverage on the hapless Santa Maria.

Nevertheless, American Institute cited rather romantic wording which still appears in modern marine policies:

"Touching the adventures and perils which we, the said underwriters, are contented to bear and take upon us, they are of the seas, men-of-war, fire, lightning, earthquake, enemies, pirates, rovers, assailing thieves, jettisons, letters of mart and counter-mart, surprisals, takings at sea, arrest, restraints and detentions of all kings, princes and peoples of what nation, condition or quality soever, barratry of the master and mariners, and of all other like perils, losses and misfortunes that have or shall come to the hurt, detriment, or damage of the said vessel or any part thereof."

That this wording appears in modern policies is interesting, but infinitely more so is the fact that it has been in marine forms for centuries. The marine underwriters, in short, have long had a package deal that surpasses the new wonder coverages that are daily appearing.

In fact, marine underwriters would be justified in regarding rather in-

dulgently the frequent announcements by many companies of "the newest in packaged protection." To the venerable protectors of ships that ply the oceans, most or all of the modern coverage gadgetry is old hat. The marine men took the short cut to package protection long before other forms of insurance were even on the market. They showed a ship owner an exhaustive list of coverages and allowed him, in effect, to strike out those he didn't want.

That would seem to be the ultimate in a package. Even homeowners hasn't got to that point, although it seems to be getting mighty close.

But homeowners must still seem rather tame to the marine men, considering how long their product has been subject to the desperate deeds of Bluebeard, Captain Kidd and other salt water brigands. There must be moments though when land locked underwriters think that claimants under homeowners and some of the other packages would not be out of character with an eye-patch, a bandanna around their heads, and a cutlass in their teeth.—J.N.C.

Hartford Fire Names Cates

Rufus H. Cates has been promoted to executive special agent for fire companies of Hartford group at its southwestern department. Mr. Cates joined Hartford Fire in 1927 at Chicago. He was later special agent at Lexington, Ky., Knoxville, and Little Rock.

Personals

John F. Walker, the new president of North American Re, has been with that



John F. Walker

company since 1948, for the past 15 months as executive vice-president. He entered the business with Home and did fire underwriting at the head office and was in the field before getting into aviation underwriting. He succeeds Ernest Brandli, who has retired after 45 years with the organization, of which he was president. He was also president of Swiss Re Management Corp., the U. S. manager of Swiss Re. He joined European General Re of London, predecessor of North American Re, in 1916 and became assistant U. S. manager in 1937. He was elected president of North American Casualty & Surety Re in 1951. That company later became North American Re.

William B. Rearden and Walter J. Christensen, who have retired as Loyalty group chairman and president, respectively, not only had distinguished careers with that organization but contributed much of their time to allied interests. At the time of his retirement, Mr. Rearden was president of Underwriters Salvage Co. of New



Walter J. Christensen



William B. Rearden

York; a member of the board of governors of Inter-Regional Insurance Conference; director of Sanborn Map Co.; and an executive committee member of Marine Office of America. He is a past president of National Automobile Underwriters Assn. and a member of its interim committee. Mr. Rearden was an incorporator of New Jersey State Safety Council and is treasurer, trustee and past president of Newark Safety Council. Mr. Christensen, on

retirement, was marking his second term as president of Southeastern Underwriters Assn. and was on the general committee of American Insurance Assn. He has been on the executive committees of Inter-Regional, Reporting Form Service Office, Assn. of Casualty & Surety Companies, Factory Insurance Assn., and Stock Company Assn. He was for many years on the executive committee of NAUA and had been vice-chairman. He is on the board of presidents of American International Underwriters Assn. Mr. Rearden and Mr. Christensen were honored on their retirement at a dinner in the Essex House, Newark. In attendance were active and retired senior officials of Loyalty and 170 civic, financial, insurance and industrial executives of Newark.

Deaths

WILLIAM R. BROWNE, manager at Los Angeles of General Adjustment Bureau, died. He joined GAB in 1946 at Denver and in 1951 became manager at Albuquerque. He was appointed manager at Los Angeles last year.

GEORGE L. CLARK, Indianapolis agent, died.

CLARENCE M. HUNT, 68, chairman of the Nashville general agency bearing his name, died, apparently of a heart attack, at the Daytona Plaza Hotel in Daytona Beach, Fla. He was on vacation there.

ERNEST W. COOK, 95, president of L. Pinner agency of Philadelphia, died at his home in Longport, N. J. He had been in insurance more than 70 years. Mr. Cook spent his early days in the business with Metropolitan, Prudential and New York Life. In 1907 he became vice-president and general manager of Commonwealth Casualty, and in 1931 he was named manager of Pennsylvania Casualty. He went into the general lines agency business in 1933. He had operated the Pinner agency in Philadelphia until last September when he went to Camden to operate a branch of the agency.

E. L. WHITEHEAD, 89, special agent of Hartford Live Stock at Murfreesboro, Tenn., died there.

PAUL W. TERRY, 79, retired general manager of Missouri Inspection Bureau, died at St. Petersburg, Fla. He had been under treatment for heart disease. Mr. Terry had joined the bureau in 1901. In 1945 he was made general manager and held the position until his retirement in 1957.

ARTHUR B. TARGETT Jr., 54, owner of the Fred W. Fort agency, Newark, N. J., died in the hospital at East Orange, N. J.

J. ROY DONHAM, 64, past president Arkansas Assn. of Insurance Agents and a leader in local agency ranks for nearly 30 years, died at the home of a daughter, Mrs. John R. Cross, in Little Rock. He was president of the Rightsell, Barry & Donham agency of Little Rock. Mr. Donham started his insurance career in 1920 with the Southern Trust Co., later joining the insurance department of American Exchange Trust Co. In 1930 he helped organize Rightsell, Pearson, Collins, Barry & Donham, predecessor to the present agency. He was president of the Arkansas agents' association from 1933 to 1935, thereafter serving repeatedly on its executive and other important committees. In 1950, he was a member

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of Fire and Casualty Insurance



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of the association's 50th anniversary committee responsible for the publication of "A History of Capital Stock Insurance in Arkansas." Until recent years, Mr. Donham seldom missed attending the annual meetings of National Assn. of Insurance Agents.

RICHARD A. NELSON, 59, financial vice-president Corroon & Reynolds and a director of the three companies in that group, died in New York City.

HENRY A. FRANZ, 45, vice-president of Alfred C. Sinn agency, Clifton, N. J., died of leukemia at Mary Bassett Hospital, Cooperstown, N.Y. Mr. Franz joined the Sinn agency in 1945 and became an active participant in the affairs of New Jersey Assn. of Insurance Agents. He served on many of its committees and was president in 1957-1958.

Derk Hits Judicial Interpretations Of The Scaffolding Act

Judicial interpretations of the structural work law of 1907 (commonly called the scaffolding act)—rather than the provisions of the act itself—are the causes of the present chaotic liability situation that faces any contractor who so much as places a plank across two saw horses. This was suggested by Walter T. Derk, casualty superintendent Fred S. James, Chicago, when he addressed the legislative conference of Home Builders Assn. of Illinois in Springfield.

A trend toward more and more liberal interpretation has gone so far that "knowing or should have known, under the circumstances" is now the criterion applied to determine liability for damages, even though the law specifically opens the door to damage suit only in the case of "wilful failure," Mr. Derk stated.

The result of this liberality on the part of the courts has been widespread use of "hold harmless" agreements, by which a contractor agrees to accept liability that might otherwise be the property owner's, or by which a subcontractor agrees to accept the liability of the prime contractor, he said.

In the case of a "hold harmless agreement," however, "it is extremely important for any contractor to carefully review job specifications in advance, to determine just how much of someone else's liability is being assumed," Mr. Derk said.

He also pointed out that, in many cases, it is actually not necessary for a contractor to assume the property owner's liability, in order to provide adequate protection for the latter. The owner is usually fully protected without a "hold harmless" provision when: He has adequate insurance to cover his own employees for workmen's compensation and general liability; his general contractors and all subcontractors are adequately insured; and he has owners' protective liability coverage.

Mr. Derk pointed out that, despite the opportunity for the owner to protect himself against liability in other ways, "hold harmless agreements are . . . apparently here to stay, though we hope that the Illinois structural work law is not."

P. K. Brittain Retiring April 1

P. K. Brittain, vice-president of marketing Hardware Mutuals of Stevens Point, is resigned effective April 1. He joined the companies in 1937 and has held underwriting and managerial posts in Chicago, Atlanta and the home office. He has been in charge of all commercial lines since last October.

Stocks

By H. W. Cornelius of Bacon, Whipple & Co.,
135 S. La Salle St., Chicago, March 7, 1961

| | Bid | Asked |
|-------------------------|---------|--------|
| Aetna Casualty | 125 | 130 |
| Aetna Fire | 103 1/2 | 105 |
| American Equitable | 25 | 26 |
| American, Newark | 30 | 31 |
| American Motorists | 17 | 18 1/2 |
| Boston | 34 1/2 | 35 1/2 |
| Continental Casualty | 101 | 103 |
| Crum & Forster | 84 1/2 | 87 |
| Federal | 65 | 68 |
| Fireman's Fund | 61 1/2 | 63 |
| General Re. | 128 | 132 |
| Glens Falls | 38 1/2 | 40 |
| Great American | 59 1/2 | 61 |
| Hartford Fire | 65 | 68 |
| Hanover | 47 | 48 1/2 |
| Home of N.Y. | 63 1/2 | 64 1/2 |
| Ins. Co. of No. America | 89 1/2 | 92 |
| Jersey Ins. | 33 1/2 | 35 |
| Maryland Casualty | 44 | 45 1/2 |
| Mass. Bonding | 42 | 43 |
| National Fire | 129 | 133 |
| National Union | 47 | 48 |
| New Amsterdam Cas. | 65 1/2 | 66 1/2 |
| New Hampshire | 55 1/2 | 57 |
| North River | 42 1/2 | 44 |
| Ohio Casualty | 29 1/2 | 31 1/2 |
| Phoenix, Conn. | 91 | 93 |
| Prov. Wash. | 20 1/2 | 21 1/2 |
| Reins. Corp. of N.Y. | 23 | 25 |
| Reliance | 53 1/2 | 61 1/2 |
| St. Paul F. & M. | 70 | 72 |
| Springfield F. & M. | 38 1/2 | 39 1/2 |
| Standard Accident | 57 1/2 | 59 |
| Travelers | 109 | 111 |
| U. S. F. & G. | 52 1/2 | 54 |
| U. S. Fire | 34 1/2 | 35 1/2 |

Card For Southern Agents Is Ready

The program for the annual convention of the Southern Agents Conference at the Robert Meyer Hotel, Jacksonville, March 23-25, has been completed. Tom C. Johnson, executive secretary of the Florida association, is handling the details of the conference. Dave Johnson of Pensacola is conference chairman.

Meetings of the central committee and standing committees will be held Thursday and a get-together buffet and dance that evening.

H. H. Nelson, Council Bluffs, Ia., executive committee, will speak Friday morning on "From Selling SAP to Homeowners." Robert Cook, local agent of Martins Ferry, O., will discuss agency management.

The Friday afternoon session will feature a panel on how to increase profits and stay out of trouble. The panel will be moderated by Robert Ross of Fort Lauderdale. Members will be Neil Coates of Miami, John L. Ebaugh of Birmingham, James M. Newton of St. Petersburg, Stephen Croom of Mobile, and Julian Berry of Tupelo, Miss. After the five panelists give their success ideas, audience questions will be answered. H. T. Shulenberg of Miami, a CPCU, CLU, and practicing attorney, will give his talk, "Confessions of an Optimist."

The executive session of the conference will be held Saturday morning. That afternoon Porter Ellis of Dallas, NAIA president, and Clifton Ganus, vice-president of Harding College, Searcy, Ark., will speak.

The conference will conclude with a banquet and entertainment.

Mandatory UM in W. Va.

The West Virginia house has passed a bill making uninsured motorist's cover mandatory. Another bill would levy up to \$21 a year on uninsured motorists to pay for the UM coverage. The money would be distributed to insurers after deduction of administration costs.

Comments On The Insurance Field From The Investment Dealer's Chair

By LEVERING CARTWRIGHT

Cartwright, Valleau & Co., Board of Trade Building, Chicago

It was another gee whiz week for insurance stock traders with something of a scramble for life stock late Friday. The extra filip was given by the announcement on the broad tape that Eli Lilly & Co. has a drug ready for the market that has proved effective against Hodgkin's disease. This was accompanied by excited speculation that this might presage an important breakthrough on cancer. This would suggest a further improvement in life insurance mortality and trigger happy investors proceeded to buy life stocks in sizable bundles.

The high-flying Government Employees issues were exceptionally strong, the life company ending Friday at 72 1/2 bid, up 3 points and the automobile insurer 98, plus 7. Franklin Life got into high gear again and at 97 bid was 7 points ahead for the week. Jefferson Standard Life was recommended by

Reliance Ins. staged a virtuoso performance Tuesday on the American Stock Exchange, running up to as high as 69 (plus 7) against a minus \$7 in the Dow-Jones day. Its affianced Standard Accident traded at 59, up 1.

Moody's Stock Survey and it was in good demand. At 51 it was up 2 points in the week. Value Line had previously plugged it. U. S. Life went soaring and gained 4 1/2 at 62 bid. B. M. A. was another hot issue and picked up 3 1/2 points to 57 1/2.

Phoenix Insurance was a favorite as a means of buying the stock market at a big discount and by reason of the confidence that is felt in the new president, Jack D. Taylor, to set it back in its former place as a profitable underwriting house. It is rare for an investment man, which Mr. Taylor is, to attain the top spot in a fire-casualty company and the investment community that knows Mr. Taylor is well pleased with the choice. Phoenix was up 4 at 92 bid and is another candidate for the 100 hurdle.

Fireman's Fund broke into the 60s and at 61 1/2 was plus 4 in the week. Travelers was plus 3 at 108. Mass. Protective and Monumental Life each was plus 3. Home Employers Group Associates and U. S. F. & G. each was 2 better. Conn. General was down for the second week in succession, losing 4 points at 446.

Northern Life of Seattle which is one of the rare issues that has been available at less than capital-surplus value quietly moved ahead with offerings being lifted at 137 and 138. Washington National was in demand with little stock available. Combined Insurance took giant leaps and got up to 56 1/2 bid, about 7 points higher. Variable Annuity Life has been edging up eighth by eighth and reached 9 1/4 bid.

Variable Annuity Life in its report shows a liking for insurance stocks. Their list includes Aetna Life, Continental Casualty, Continental Insurance, Crum & Forster, Franklin Life, Home, Insurance Company of North America, Lincoln National, North River, Pacific Indemnity and U. S. F. & G.

American Mercury owns 500 shares of Government Employees Insurance.

Camden Fire owns 6,600 shares of Continental Insurance, its new annual report shows.

Coastal States Life of Atlanta owns 533 shares of Aetna Life, 200 Birmingham Fire & Casualty, 3,750 Commonwealth Life, 200 Conn. General, 6,600 Gulf Life, 450 Home, 262 Jefferson Standard, 1,876 Liberty Life, 4,500 Liberty National Life, 367 Life & Casualty, 310 Lincoln National, 20 National Life & Accident, 5,714 Protective Life, 250 Republic National Life, 100 Travelers and 124 U.S. Life.

Diversified Growth Stock Fund Inc. eliminated its holdings of 1,000 shares of Conn. General Life.

United Services Life continued to go skylarking and at 92 bid Friday was 9 points higher in the week. This added nearly \$1 per share to the intrinsic worth of Northeastern Insurance which owns 45,000 shares of United Services. At this figure there is \$13.80 of market value of United Services Life for each share of Northeastern. The latter was available at about \$16 per share.

Beneficial Standard Life got going and at 19 was up 2 for the week. Maryland Casualty continued to advance, gaining 2 1/2 points at 45. Value Line recently gave this a strong recommendation. Fidelity & Deposit continued to rise under the impetus of the recently announced stock dividend in the ratio of one-for-nine. It closed at 67, up 2 1/2.

There were a few signs of life in the newer issues. American Heritage Life was up 1 1/2 points at 9 1/4 and Loyal American at 4 1/2 was 1 point better than its recent level.

Stockholders of Investors Finance & Thrift Corp., Chicago, have voted to liquidate and dissolve. Its holdings include some 600,000 shares of United Ins. Co. and about 40% of the shares of United Fire, which is doing so well as a weekly premium property insurer. I. F. & T. also owned considerable real estate.

A mistake was made in the listing of bid prices of insurance stocks as at Feb. 28, 1961, in respect of Security Life & Trust. The price of 45 was correct as the Feb. 28 price, but the previous prices had not been adjusted to reflect a 25% stock dividend. On that basis the Dec. 31, 1959 price should be 47 1/4 and the Dec. 30, 1960, 41 1/4.

Opens New Dallas Office

The southwestern department of Indiana Lumbermens Mutual moved into a new three-story office building in Dallas. Resident Vice-president Richard F. Skinner heads a staff of 72 that will service Texas and Louisiana. Employees enjoy swimming and other recreational facilities.

Pacific Loss Assn. Elects

Charles E. French Jr., Aetna Fire, has been elected president of Pacific Coast Fire Loss Assn. Other new officers are Paul D. Warda, Springfield F.&M., vice-president; Norman D. Newell, Aetna Fire, secretary; and Franklin L. Knapp, Phoenix of Hartford, treasurer.

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Program Is Ready For Buffalo I-Day

The program has been completed for Buffalo I-Day, March 28, at the Statler Hilton.

Ross Cutler, life superintendent American Life of New York, will moderate a panel on how property and casualty agents can sell life insurance. Panel members will be M. Robert Patterson, brokerage superintendent American Life, Paul H. Kreuzer, brokerage manager John Hancock, and Frank A. Trumble, brokerage manager Prudential.

This will be followed by a session on auto merit rates and safe driver plans, presented by Buffalo CPCU chapter. Members participating will be Alfred Kroll, Steeg & Son; Richard H. Morse, American Surety, and John L. Tabor, Tabor agency.

Buffalo Insurance Field Club will present a panel on the agent's present day responsibility in fire underwriting. Panelists will be John Ebdon, Royal-Globe; Dermond McCarthy, Home, and Charles E. Hall, Springfield.

After lunch, Greater Buffalo Insurance Agents Assn. will conduct panel on the agent's responsibility toward the community. Speakers will be W. Wallace Young, James Clauss, Fred Dentinger, Morris Himmel and Thomas Wyres.

Miller Is Resident V-P Of Royal-Globe

Royal-Globe has made the group's present region which has its headquarters in Chicago, the central western territory. Fred A. Miller, regional manager at Chicago, has been appointed resident vice-president in charge.

Mr. Miller joined Royal-Globe in 1922. After progressing through underwriting and production responsibilities he became regional manager at Philadelphia in 1949 and regional manager at Chicago in 1954.

Columbia (S. C.) Assn. of Fire & Casualty Agents has elected H. G. Yonce, president, Stuart C. Hope, vice-president, and Marion A. Park Jr. secretary-treasurer.

Kueckelhan Names Bruhn



Congratulations are in order as Washington Commissioner Lee I. Kueckelhan (left) welcomes S. Fred Bruhn to the department as chief deputy.

Mr. Bruhn was graduated from University of Washington's law school in 1959 and since that time has served as assistant attorney general assigned to the commissioner's office. He has gained a varied background of experience in dealing with interpretation of the insurance code.

Houston Buyers Slate Annual Spring Meeting

Houston chapter of American Society of Insurance Management will hold its annual spring conference at the Shamrock Hilton Hotel, April 12.

Principal speakers at the one-day conference will be Vestal Lemmon, general manager National Assn. of Independent Insurers, Chicago; Fred J. Welsh, executive general manager General Adjustment, Dallas; Warren Farris, attorney Farris, Leake, & Emmet, New Orleans; Charles D. Scott, executive vice-president Great American Reserve, and Joseph M. Shelton, attorney Lyne, Blanchett, Smith & Shelton, Dallas.

Augmenting the speakers will be an insurance problem clinic moderated by Fred L. Hillis, insurance manager Anderson, Clayton & Co. and president Export Ins. Co. of Houston. The panel will include John S. Bickley, professor of insurance University of Texas; Darold Black, J. Weingarten, Inc., Houston; C. E. Frost, Fish Engineering Corp., Houston, and F. A. Randall, Union Carbide Chemical Co., Texas City.

Fund's Board Votes To Contribute \$533,870 To Employees' Retirement Plan

The Board of Fireman's Fund has voted a contribution of \$533,870.85 to the company's savings and supplemental retirement plan. The contribution matches the 1960 contribution of approximately 2,500 Fund employees throughout the country who are enrolled in the plan.

Company employees who are 30 years of age and who have completed one year of service may contribute from one to five percent of their earnings to the plan monthly on a payroll deduction basis. Contributions to the plan by employees and the company are invested in outstanding shares of Fund stock.

The plan was adopted in 1950 and had an estimated value as of Dec. 31, 1960 of \$7,108,000 and holds approximately 120,000 shares of Fund stock.

Newhouse & Hawley Named GA For Carolina Casualty

Newhouse & Hawley has been appointed general agent for Carolina Casualty with complete facilities for long haul trucking risks, busses and taxicabs as well as for fire and allied lines. Newhouse & Hawley has its home office in Chicago, with branches in New York City and Atlanta. For many years Newhouse & Hawley has specialized in motor truck cargo insurance, and now has broadened its underwriting facilities to include all forms of transportation insurance. Carolina Casualty has been specializing in the transportation field, including highway safety engineering and claims service.

Wellborn Names Two

Floyd D. Bagwell has been named manager of the Meridian, Miss., office of the Hattiesburg adjusting firm of H. B. Wellborn & Co. He has had 11 years of experience in the company and independent field, and for the past 1½ years has been an independent adjuster in Jackson, Miss.

C. Frank Calhoun has been appointed manager of the firm's Laurel, Miss., office. He has been in adjusting nine years.

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Prov. Washington '60 Loss Due To Donna

Providence Washington sustained an operating loss of \$484,471 in 1960. This was comprised of an underwriting loss of \$1,672,887 and net investment income of \$1,188,416. Of the underwriting loss, Hurricane Donna produced \$1,512,936.

Written premiums rose 3.8% in 1960 to \$24,198,913. Policyholders surplus on the convention basis was down \$870,634 to \$14,933,123 but was up on a market value basis by \$732,887 to \$13,810,395. Stockholders equity per share rose from \$39.47 to \$40.70 at the end of 1960.

Wilbourne Is Elected Head Of Dallas Claim Managers

Henry Wilbourne, Massachusetts Bonding, was elected president of Dallas Casualty Insurance Claim Managers' Council at the February meeting. Other new officers are A. C. Howell, Great American, vice-president, and M. P. Cook, Home Indemnity, secretary-treasurer.

James Williams of the law firm of Bailey & Williams spoke on surety losses.

Newby Heads Indianapolis Casualty Underwriters

Harry B. Newby, Standard Accident, has been elected president of Indianapolis Casualty Underwriters Assn., succeeding Alfred Davidson, Indiana Lumbermens Mutual. Also elected are Carl E. Hertting, Employers Mutual of Wausau, vice-president, and Raymond A. McArthur, Allstate, secretary. Everett M. Smartz, local agent, was reelected treasurer.

N. Y. Safe Driver Plan Eyed At Brokers' Forum

William Brewster, public relations assistant to the general manager of National Bureau, explained the features of the new safe driver plan for New York at the February educational forum of Greater New York Insurance Brokers Assn. at the Sheraton-Atlantic.

Interest in the forum was so great that the attendance forced curtailment of a question period, due to fire regulations limiting the number of persons in a public room.

Extend Commission Law

The law that requires consideration of past experience in commission payments as well as in losses and other costs has been extended for a year in New York. It was passed by the legislature and signed by the governor in the 1960 legislature on a test basis. With re-passage, it runs to April 1, 1962.

O'Grady Joins Stuyvesant

William J. O'Grady has joined Stuyvesant's bonding department. He will be active in the production of business and in serving brokers and attorneys in New York and New Jersey. Mr. O'Grady has been with Royal-Globe, Phoenix of London, and New Amsterdam Casualty, and most recently was in the agency business in Florida.

C.&R. Raises Dividend

Corroon & Reynolds has increased its quarterly dividend from 15 to 17½ cents a share, payable April 1 to holders of record March 20.

Stack Financial V-P Of Atlantic Group

Robert B. Semple and Maurice D. Stack have been elected trustees of Atlantic Mutual and directors of Centennial. Mr. Semple is president of Wyandotte Chemicals Corp. Mr. Stack has been a vice-president and chief investment officer of Atlantic companies and now becomes financial vice-president. Mr. Stack joined Atlantic Mutual in 1954 as financial secretary and was elected a vice-president in 1956. Prior to this he had been an investment analyst of First National Bank of New York five years.

Surplus Line Bill In N. Y.

Sen. Condon, chairman of the joint legislative committee on insurance rates and regulation, has introduced a bill in the New York legislature that would provide for a security fund for unauthorized excess lines insurers and impose a tax on surplus line policyholders. The fund would pay expenses of the insurance department as conservator in any proceeding initiated by the superintendent for rehabilitation, liquidation, conservation and dissolution of insurers in order to conserve the assets of the unauthorized insurer which issues policies through an excess line broker licensed in New York.

The tax on policyholders would be 1% of gross premium less returns. Brokers would pay the tax April 1 annually.

Gernert To Company Post

Archibald Gernert has joined Atlantic Mutual as supervising underwriter of workmen's compensation and public liability lines in the metropolitan department of the home office. He has been in the brokerage business in New York.

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(b) Auto Liability

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Consolidation Of Fire Forms Is Set

Inter-Regional Insurance Conference's program to consolidate fire forms commonly used in eastern states is in its final stages. Conference representatives and the Eastern Agents Conference committee recently met for an exchange of ideas by agents and company officials on the development of new coverages and policy changes before introduction to the public.

The two groups have been studying the consolidation proposal for two years and have developed three basic forms. They are designed for economy and to speed catastrophe adjustments.

Bird In Field For Dixie

Fred S. Bird has been named manager at St. Petersburg for Dixie Fire & Casualty and the John Ratterree general agency of Greer, S. C. He succeeds B. F. Patton, who has resigned. A graduate of Wofford College of Spartanburg, Mr. Bird has been in training

at the home office for the past two years.

B. M. Morgan, manager at Orlando, will take over the Jacksonville and Gainesville areas, formerly supervised by Mr. Patton, with Mr. Bird concentrating on the St. Petersburg area.

Commissioner Howell of New Jersey, following a public hearing, approved promulgation of new regulations allowing insurers to amortize the cost of electronic data processing equipment over a 10 year period, provided the cost exceeds \$100,000.

Federal Has Large Underwriting Gain

Federal and its affiliate, Vigilant, showed an underwriting profit of \$4,664,000 before federal taxes in 1960 against \$5,004,000 in 1959. Premiums written were \$76,967,437, against \$72,836,345. Policyholders surplus reached \$122,645,000, an increase of \$6,874,000. Unearned premium reserve was \$51,518,198 compared with \$48,890,957 in 1959.

Percy Chubb II, president, pointed out in his report to stockholders that the deterioration in loss ratio and underwriting profit was accounted for by Hurricane Donna, the December collision of two airliners approaching New York City, and the fire and explosion on the super tanker Sinclair Petrolore off the coast of Brazil.

The ratio of losses and loss expenses to premiums earned was 57.3 and ratio of other expenses to premiums written was 35.2, against 57.0 and 34.7 in 1959. Investment income before taxes was \$6,461,048 against \$5,604,277. Net income, including a proportionate share of the income of the affiliated Colonial Life, was \$7,329,000 or \$2.16 a share compared with \$7,182,000 or \$2.11 a share in 1959.

These figures are based on 3,396,707 shares, giving effect to the 100,000 shares that were issued in exchange for stock of Great Northern late in 1960.

Assets of Federal and Vigilant were \$233,547,949, up from \$219,364,181 and reflecting Federal's investment in Great Northern. Including the latter company, assets at the end of 1960 were \$238,743,684.

Sayre & Toso Names Haster Manager At San Francisco

John J. Haster, vice-president of nationwide fire operations for Sayre & Toso, has been assigned the additional duties of manager at San Francisco.

Mr. Haster began his career 40 years ago with the North America Companies. Prior to joining Sayre & Toso last year, he was vice-president in charge of fire and inland marine for Pacific Indemnity at Los Angeles.

Mr. Haster is a past president of Fire Underwriters Assn. of the Pacific and California Assn. of Managing General Agents.

Aetna Fire Appoints Walck At Harrisburg

Aetna Fire has named James H. Walck special agent at Harrisburg, Pa. Prior to joining the company, he was special agent at Philadelphia of Zurich.

Mutual Boiler Raises Wolff

Howard E. Wolff, district manager of Mutual Boiler at Chicago, has been elected an assistant vice-president. He joined the company in 1953 as a sales representative, became district sales manager in 1957, and district manager in charge of the midwest in 1960.

Myers Director Of Aviation Writer

Mead T. Myers, claim supervisor of Airway Underwriters of Ann Arbor, Mich., has been elected a director of the company's management corporation, Airway Associates. He is also a partner in the Pontiac adjusting firm of John C. Myers & Sons.



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THE "MORE" is more coverage—complete "no vacancy" coverage—with the very latest policy on the market. It is an individually custom-tailored contract, designed to meet the need and requirements of the motel owner-operator. Sell the simplicity of *one* expiration date, *one* agent and *one* policy with the convenience of *one* statement of declarations listing the complete coverage, limits of liability and the property and operations covered.

THE "LESS" is less fuss—at least 20% less cost than the old many-policy method. This policy wraps up all the hazards of the motel business in one neat protection package at a cost the owner-operator can afford. It almost sells itself... show it to your nearest motel prospect and see. And don't forget this extra: your customer can finance all his Phoenix policies with easy payments on the Phoenix Monthly Premium Payment Plan.

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Steele With Buffalo In Executive Post

Buffalo has appointed T. Corwin Steele administrative assistant to Henry L. Miller, fiscal vice-president and secretary. Mr. Steele will supervise all accounting and statistical functions and will act as coordinator between home office and branches. He will also be responsible for methods and procedures.

Previously he was with Royal-Globe in accounting and administrative positions, most recently as secretary and controller.

Factory Mutuals Holding Meetings With Insured

West coast policyholders of Factory Mutuals and the presidents of the insurers in that group met at Los Angeles in one of a series of meetings the group is holding to establish closer contact between the executives of the companies and policyholders. J. V. Russell, president of Philadelphia Manufacturers Mutual, was chairman of the Los Angeles meeting. G. F. Wahl, general manager of the engineering division of the mutuals, and Ambrose B. Kelly, general counsel, spoke. During a question and answer period, the mutual executives reviewed their experience in recent years, recent changes in coverage and possible changes in the future, and other aspects of company operation.

With the industrial development in the west, the area has become an increasingly important part of the business of Factory Mutuals.

Factory Mutuals have set up policyholder advisory committees in Florida and Texas. The joint affairs committee of the group, which meets monthly to consider common problems, is composed of several company presidents—H. T. Freeman of Manufacturers Mutual, G. M. Roddy of Boston Manufacturers Mutual, H. T. Moses of Firemen's Mutual, H. C. Jones of Arkwright Mutual, W. T. Brightman Jr. of Blackstone Mutual, Mr. Russell, and P. E. Ray of Protection Mutual. In 1960 this committee attended the meeting of the Florida advisory committee. More such meetings are planned in 1961.

Twin Cities (Mich.) Assn. Hears GAB Adjuster

ST. JOSEPH, MICH.—Twin Cities (St. Joseph and Benton Harbor) Assn. of Insurance Agents heard A. H. Anderson, of General Adjustment's Benton Harbor office, explain his organization's catastrophe program at the February meeting.

There was considerable discussion at the meeting of Commissioner Blackford's rejection of a proposal for reducing rates on larger institutional risks.

Agent Is N.C. Speaker

J. M. Hunt of Greensboro, N.C., vice-president of the Wimble agency there, has been elected speaker of the North Carolina house. He has been a member of the legislature for several terms. North Carolina Assn. of Insurance Agents held a banquet in his honor.

Cal. Adjusters Board Meets

The board of California Assn. of Independent Insurance Adjusters held its midyear meeting at Reno. Among the items on the agenda were reports from the legislative, convention and state advisory committees.

O'Toole Associates Advance W. J. Ruth Jr.

O'Toole Associates, management consultants to insurance companies, Queens Village, N. Y., has appointed William J. Ruth Jr. as a principal of the firm. Mr. Ruth has spent 14 years in all phases of insurance administration, home office and field, and in all branches of the business, fire, casualty, life and A&S.

He entered the business as an actuarial trainee of Equitable Society. Subsequently he was with United States Life and Home Life in methods and systems capacities. He joined O'Toole Associates three years ago and has served a number of fire, casualty, life, and A&S insurers.

Kemper Appoints Stukhart Bond Head At Summit, N.J.

Kemper group has appointed Arthur I. Stukhart manager of the bond and burglary underwriting department at Summit, N. J. With the Kemper companies since 1952, he became assistant manager of the department in 1958.

Hines, Wineman Jr. Advance

Harold H. Hines Jr. has been promoted to executive vice-president of Wineman Brothers agency of Chicago, and John S. Wineman Jr. has been advanced to assistant secretary. Mr. Hines has been with Wineman Brothers since 1949. He became vice-president in 1956. He is a CPCU. John Wineman Jr. has been with the organization as a casualty underwriter since 1959. He is the third generation of his family active in the management of this agency, of which John S. Wineman Sr. is president.

Republic-Franklin Advances Turner

Republic-Franklin has appointed Robert J. Turner assistant secretary. He has been claim manager since 1958.



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TOTAL ASSETS

1957

\$856,140

\$5,700,753

1958

\$1,123,658

\$5,811,980

1959

\$1,401,982

\$7,922,605

1960

\$2,030,172

\$10,751,722

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Estimate \$260,000 Loss From Wichita Hailstorm

An estimated \$260,000 insured loss was caused by the hailstorm Feb. 17 which struck Wichita. General Adjustment Bureau estimates it will receive 2,500 losses averaging \$104 each.

So far, GAB has received 863 losses, inspected 270 and adjusted 151. Of the adjusted losses, 115 have been paid, for an average of \$136, and 36 claims have been rejected.

A survey revealed that some of the damage areas were hit last year by

storms, and many insured who reported claims then are doing so again. GAB said it is expecting cases where insured was paid in 1960, failed to make repairs, and is reporting losses again. To prevent duplicate loss payments, the bureau is checking assignments of loss from the Feb. 17 storm against the 1960 closed files.

Gains For Hamilton Mutual

Hamilton Mutual of Cincinnati had a 5% underwriting gain in 1960 and premiums were up 26%. Assets on Dec. 31 were \$4,189,587, an increase of

\$400,000, and gross surplus at \$2,513,150 was up \$143,000.

The company has 45% of its assets in bonds, 31% in preferred and common stocks, 12% in real estate.

The Massachusetts house has passed and sent to the senate a bill requiring out-of-state motor vehicles to carry liability coverage equivalent to the compulsory statutory amounts in Massachusetts. The proposed bill, which would be effective July 1, 1962, would bar noncomplying drivers from the state's roads.

2 Michigan Bills Would Ease Dram Shop Blues

LANSING—The Michigan legislature is considering amendments to the liquor liability law in order to correct a situation in which experience has been so disastrous that only nine insurers are still accepting business.

One bill which would limit the risk somewhat is being sponsored by Sen. Graebner, Saginaw agent, and others, and a public hearing has been held on a bill introduced in the house by Rep. Boyer, Manistee agent.

Under provisions of these measures, the period for starting suit would be shortened from two years to one, notice would be required of intention to bring suit, and the present phraseology "caused or contributed to intoxication" would be changed to "was the proximate cause of intoxication."

At the hearing, Robert Hammond, representing the Michigan Temperance Foundation, opposed the changes and sought as substitute phraseology in the act "in whole or substantially in part (contributed) to intoxication."

Leslie R. Wilson, Lansing manager of U.S.F.&G., said his company suffered a 500% loss ratio in 1960 on liquor liability coverage. He described several cases involving belated filings in which large amounts of damages were sought and many defendants were named. He said his company must refuse further business unless the law is changed.

Waldo O. Hildebrand, secretary-manager of Michigan Assn. of Insurance Agents, noted that agents even have found it difficult or impossible to place risks with Lloyd's, either on a primary or excess basis, and on business accepted by non-admitted insurers, rates were double or more than those allowed under Michigan filings.

He noted that the business is limited and does not develop a large enough premium volume at the rates permitted. The aggregate premium from 2,400 licensed taverns would not meet many of the typical single judgments that have been returned in the courts. He said seven insurers wrote 90% of the business last year, and they are tending to back away from continuing coverage under existing conditions.

Earl Hebert, executive secretary of Michigan Table Top Congress, made up of licensed by-the-glass vendors, was another proponent of the recommended amendments which, he said, are vitally necessary if his membership is to be accorded the same rights as other business men to insure their liability.

Am. Motorists Sponsoring Student Safety Contest

American Motorists is again sponsoring a high school auto safety contest in which 29 cash prizes totalling \$2,625 will be awarded students for outstanding traffic safety promotion work.

Twenty prizes are offered to school publications for safety campaigns conducted through their columns, and five prizes are slated for over-all school safety campaigns. Four prizes will be awarded to individual students for cartoons and feature articles.

St. Paul Mutual Promotes Hord, Miss Konig

St. Paul Mutual has promoted Harry L. Hord to vice-president and secretary and Hertha Konig to treasurer. Mr. Hord, with the company 10 years, has been secretary-treasurer. Miss Konig has been assistant treasurer and in the accounting and statistical department for many years.



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*In most states

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Travelers Has Auto Underwriting Gain

In 1960 Travelers group had an operating profit of \$49,706,888 after taxes, compared with \$33,577,036, J. Doyle DeWitt, president reported to stockholders. Premiums for all lines exceeded \$1.180 billion, an increase of \$71 million. Travelers Indemnity showed an underwriting profit of \$16,738,000.



J. Doyle DeWitt

Premiums for automobile lines were \$262,202,000, a rise of 2.2%. There was a small increase in number of risks insured. BI, PDL, and PHD each produced an underwriting gain and the aggregate result for automobile was "a satisfactory profit for the year." However, Mr. DeWitt pointed out, BI rates still are seriously deficient in many areas. Though there were a number of rate changes in 1960, there was no significant change in over-all rate level.

The group's experimental auto rating program has been extended to additional areas and by year end was in effect in 20 states. Results so far have been encouraging. The program has resulted in increased production of desirable new risks. However, Mr. DeWitt adds that the auto accident situation has not diminished. Deaths and injuries are still on the rise. In 1960, property damage accidents declined but BI accidents increased. The group spent \$8,589,000 in 1960 on all loss prevention activities including traffic safety.

\$105 Million Of WC

The group wrote \$105,980,000 of workmen's compensation business in 1960, a 4.4% increase. Results were somewhat better than for 1959 but still showed an underwriting loss. General liability and property damage liability lines produced \$64,307,000 in premiums, up 10.9%, with lower loss ratios, especially in BI. These lines produced an underwriting profit.

Other casualty and indemnity lines, including the casualty portion of multiple peril policies, produced premiums of \$40,019,000, a rise of 15%, with a small underwriting profit. On \$70,386,000 of fire and marine premiums including multiple peril policies, which represented an increase of .1%, there was a small underwriting loss. This was due to Hurricane Donna.

The collision of two airliners over New York City in December cost the group \$262,500 on six accident claims, of which \$100,000 was reinsured. This loss reduced the underwriting gain for individual A&S coverage, which produced \$32,292,000 of premiums in 1960,

Johnson Home V-P; Lewy Is Advanced

Home has advanced Ralph Johnson from secretary to vice-president and secretary in charge of the operating division. Lester B. Lewy, administrative assistant in the executive department, has been elected assistant secretary.

Mr. Johnson, who joined the company in 1933, was later manager of the automobile department in Chicago. He was transferred to the head office in 1952 and was subsequently assigned to the operating division. He became assistant secretary in 1958 and secretary in 1959.

Mr. Lewy, with the company since 1937, was in the eastern department as an examiner before serving at Albany and Waterville, Me. He later became state agent in Maine before his transfer in 1959 to the head office as administrative assistant.

Group EC Classes In N. C.; No Over-All Rate Change

North Carolina Fire Insurance Rating Bureau's filing to consolidate extended coverage classes to reduce them from 50 to 15 has been approved by Commissioner Gold, effective March 1.

There will be no over-all rise or drop in EC rates, although grouping will result in changes for some of the former classes. Rates on apartment houses in the seacoast territory were increased from 14 cents to 20 cents to put them at the dwelling level.

Mr. Gold turned down a bureau filing to increase the fire rate on trailer homes.

a rise of 5.5%. During the year the group developed a classification program to furnish a means of providing better A&S protection for impaired risks and to enable it to insure many persons previously considered uninsurable.

The report lumps all group premiums together for life, annuities, and A&S. Premiums rose 10.1% to \$477,019,000. The number of benefit checks for all life and A&S issued during the year was 5,799,553, or 23,000 each working day.

The company paid \$66,295,000 in federal, state and municipal taxes during the year.

Assets increased \$148,460,355 to \$3,830,119,251.

During the year the group opened 21 new agency offices over the country in areas which have shown a major increase in population and economic growth. Another 21 new agency offices are planned for 1961. Home and field office employees increased to 20,325, 1,451 of them part time. Of the employee additions of 1,140 (full time), 65% were added to claims, office administration, and agency staffs.

Highlights

from our 59th Annual Report to Policyholders

| | |
|------------------------------------|--------------|
| Assets | \$31,658,050 |
| Liabilities | 18,279,152 |
| Surplus to Policyholders | 13,378,898 |

Above totals from Financial Statement, as of December 31, 1960, as reported to the Indiana Insurance Department.

ASSETS increased by \$900,092 or 2.9% over 1959.

SURPLUS TO POLICYHOLDERS increased by \$493,667 or 3.8% over 1959.

NET PREMIUMS WRITTEN totaled \$19,206,505 for the year, an increase of \$839,680 or 4.6% over 1959.

LOSSES INCURRED (including Loss Expenses) during 1960 were \$9,928,759. Ratio of incurred losses to earned premiums was 52.1%, as against 47.8% for 1959.

SAVINGS of \$3,045,572 were returned to our policyholders as dividends during 1960. This total compared with dividend savings of \$2,868,633 returned during 1959.

Business since organization in 1902: Net premiums written, \$253,647,000; net losses paid, \$95,281,100; savings returned to policyholders as dividends, \$39,854,200.

Grain Dealers Mutual
INSURANCE COMPANY

Indianapolis 7, Indiana

Western Department: Omaha 2, Nebraska

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**Insurance
Company**

T. EARNEST GAMMAGE JR., EXEC. V. P.
HOUSTON 1, TEXAS

Finds Small Companies Often Insure Risks Of Too Great Hazard

(CONTINUED ON PAGE 18)

a complete lack of understanding of the responsibilities of management.

Company B recovered \$44,000 on a single risk, which resulted in an increase of \$1.11 per \$1,000 in the rate for ceded reinsurance, or an additional charge of \$7,770 in 1959.

A third company with \$950,000 of insurance and a surplus of \$2,866 had a maximum single risk exposure of \$70,000; another, with \$5,225,000 of coverage outstanding and \$5,300 of sur-

plus, carried one risk for \$77,000; and a fifth, with \$9 million exposure and \$19,000 of surplus, carried one risk for \$100,000.

Writing Hazardous Risks

The department also is concerned with the type of risk being written by some of the smaller companies, Mr. Joyce said. Some companies with 200 or 300 members, \$1 million to \$10 million in force, and surplus ranging from \$3,000 to \$10,000, are writing

risks up to and over \$100,000, retaining from \$2,000 to \$7,000 and ceding the balance. These risks are mainly of a commercial nature and are written at rates far below the comparable rates charged by stock or other companies. He said the department cannot understand why a small company would write \$35,000 on a bowling alley and cocktail lounge, \$60,000 on a lumber yard and saw mill, \$75,000 on a slaughter house, \$50,000 on a chemical plant, \$100,000 on a cooperative dairy,

and \$9,000 on a marina, all at rates far below the manual or stock rate. One loss of this size would seriously affect the financial condition of the company.

These risks in many instances already have been offered to other companies, he declared, and are only offered to the assessment cooperatives because the stock companies won't write them or because the cooperative's rate is only a fraction of theirs.

In two years 14 small companies have merged or are in the process of merging with larger companies. In many of these mergers, Mr. Joyce believes, poor underwriting has been a major impetus. One of the most urgent phases of management requiring attention is underwriting. Each company should carefully review its entire in-force to learn whether the amounts of insurance and the types of risks being written are such that the company is equipped to handle any losses they may produce.

Mr. Joyce said the department has urged the reinsurer of these companies to establish some type of a maximum on the amount of reinsurance they will accept from the cooperatives. For example, the limit might be five to 10 times the amount retained by the primary insurer. To date the reinsurer has not seen fit to establish such a maximum, but the problem is receiving further study.

He urged formation of a committee by the organization to study these problems and to make recommendations to the central organization and member companies as to how they can be resolved.

St. Paul F.&M. Transfers Midgley To Ia., Sets Up New Orleans Claim Office

St. Paul F.&M. has assigned Robert C. Midgley to Des Moines as state agent for northwestern Iowa. He has been traveling the Staten Island territory.

A claims department for Louisiana has been established at New Orleans under Henry Steadman Jr., and the company office there has been moved to the Hibernia Bank Building.

Add \$1,899,900 To Surplus Of Olympic Of Los Angeles

Olympic of Los Angeles has received a cash contribution of \$1,899,900 from the parent Pacific Finance Corp., bringing policyholders' surplus to \$6,242,337. Now in its 16th year, the company started with \$100,000 capital and \$200,000 contributed surplus. Capital is now \$1 million and surplus \$5,242,337.

Licensed in 29 states and Canada, Olympic is increasing its emphasis on agency operation. It has maintained multiple line underwriting facilities since 1954.

School Board Taking Bids

Columbus (O.) Board of Education is taking bids for accident insurance, effective next September, which would offer 12-month protection to all pupils and employees as long as they are engaged in school or school-connected activities. Benefits provided would be loss of life, \$1,500; loss of both hands, both feet, entire sight, or combination of two such losses, \$7,500; loss of one hand or foot, \$3,750; loss of entire sight of one eye, \$1,000; hospital and medical care up to \$3,000; dental care up to \$150 for one accident. Some 87,000 pupils and 4,000 employees will be eligible for coverage.

One of a series of Great Mutual Efforts:



IT'S MUTUAL (Northwestern, that is)

William Tell took aim and his son stood firm in the face of a tyrant's troops. Their mutual effort won them the day, their nation's praise and a place among history's heroes—not to mention half an apple apiece. It still works. An agency agreement with Northwestern gives you a strong right arm to help hit the mark—the extra advantage of proven mutual savings to match the extra service of your own local agency.



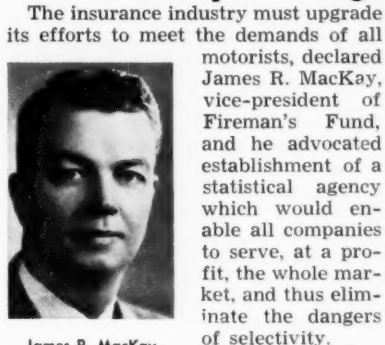
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SPEAKS AT ARIZONA I-DAY

Fund V-P Suggests Data Agency As Means Of Profitably Serving Whole Auto Market



James R. MacKay

The insurance industry must upgrade its efforts to meet the demands of all motorists, declared James R. MacKay, vice-president of Fireman's Fund, and he advocated establishment of a statistical agency which would enable all companies to serve, at a profit, the whole market, and thus eliminate the dangers of selectivity.

Speaking before an Arizona Insurance Day gathering at Tucson, Mr. MacKay cautioned against the potential dangers in widespread adoption of selective underwriting practices. The effectiveness of selectivity as a competitive weapon cannot be denied, he said, but those companies which limit their operations to only the best risks fail in their obligation to the public.

"Any action which could be construed as indifference toward the plight of motorists who find it both difficult and costly to enjoy the protection of our products provides fertile working grounds for the advocates of federal regulation and control," he declared.

Greater effort must be exerted to prove to the public that private enterprise insurance is ready and able to meet the demands of all motorists. In order to do so, the industry must correct the weakness in the rating structure while striving for a greater awareness of the need for moral responsibility on the highways, he said.

To improve the rating structure, Mr. MacKay would establish an agency to which all insurers would feed their pure loss data for all classes. The agency would compile statistics and furnish them to individual companies to use in determining their own premiums. Working primarily as a research unit, the agency could also develop techniques for better loss statistics and refined rating from which companies could fashion sounder pricing practices.

"The result," he said, "would be wholesome competition and opportunities for profit for all segments of our industry while we eliminate the built-in dangers of selectivity."

The indemnity product must be sold at a price that is fair to policyholder, company and producer, and Mr. MacKay saw hopeful signs that this objective will be fulfilled. First, there is a growing realization that trend and projection factors are necessary to any rating formula. Secondly, new electronic facilities enable companies to obtain more current premium and loss results. A third sign encouraging to Mr. MacKay is the widespread advocacy of no-prior approval of rate changes.

Turning to the insurance product, he said that an undeniable strength of stock agency companies is its proven ability to meet the complex insurance requirements of modern society. From their long association with most of the exposures requiring protection, companies have acquired a knowledge that will provide them with a competitive advantage in the decade to come.

Mr. MacKay predicted that developments in homeowners and personal

lines of the 50s would be applied to commercial fields, with an acceleration in combining fire, marine, burglary and casualty coverage into one package.

Must Hear Buyers, Producers

He said also that he was confident the industry would substitute modern product research methods for inbred policy or product development procedures of the past. "We can no longer predetermine by guess and by gosh within the confines of the company and bureau walls the insurance needs of the merchant on Market Street or the electronics plant in suburbia. They and producers with their grass-roots knowledge and experience must be listened to," he said.

He praised the creation of consumer and agent panels by many companies as being an "elementary but totally effective procedure whereby the 'manufacturer' can predetermine some probability of the acceptance of his prod-

Merchants Mutual Has Premium High In 1960

Merchants Mutual of Buffalo wrote premiums of \$31,677,310 in 1960, a rise of \$3,787,195. Policyholders surplus increased by \$1,376,017 to \$8,105,496. Assets rose \$6,471,591 to \$46,643,029. Automobile continued as the largest single line, accounting for \$23,279,092 of premiums.

However, President Milton L. Baier in his annual report stated that the company is emphasizing other lines, and premiums for fire, homeowners, workmen's compensation and inland marine totaled \$5,303,862.

Mr. Baier said he thought the merit rating plan just introduced in the state may mean that auto will again become unprofitable for many insurers.

Pressure In N. J. To Relax Go-Kart Rules

Go-karts, prohibited in New Jersey, are becoming a problem there as pressure is exerted on the motor vehicle division to give them some form of licensing and set up adequate insurance provisions. Under present law they cannot be driven on the open highway, nor can they be driven without a license in private lots if there is any skill required in their operation or if they are used for racing.

Pressure to relax regulations or provide new ones is coming from parents and manufacturers. It is reported that south Jersey legislators are preparing bills to ease the situation. Insurers are reportedly apprehensive about the coming change and will insist that adequate insurance provisions be enforced.

ucts both at the buyer and seller level."

Mr. MacKay called for more cooperative, all-industry effort in product development, consumer orientation, processing simplification and cost studies. This in time would produce unbiased findings which would improve communications and marketing tools.

He suggested that company and association leaders join in establishing what might be called the Insurance Institute of Marketing. The primary objectives of this institute would be to develop an efficient network of com-

munications between company and agent on an all-industry basis and a continuing program of study and research designed to correct weaknesses in the competitive potential and operating economies.

"If I have stressed the area of needed cooperation between company and agent to the apparent exclusion of other problems and opportunities we face, it is because I am convinced that unity of purpose is our key to the future," Mr. MacKay declared. "Our varied and isolated difficulties . . . can and will only be met successfully through unity of thought and action."

"ANOTHER SUCCESS!"

reports Dick Grainger,
St. Paul Agent,
Taos, New Mexico



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"At 9:00 A.M., I was notified that a car owned by the Taos School Board was destroyed by fire," says Dick Grainger, St. Paul Agent. "By 2:00 P.M. the same day—thanks to the resident adjuster here in Taos—the claim was settled. Result? The School Board was so pleased with the prompt service, I now handle a major part of their insurance."

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Offers Ideas For Smoothing Rough Spots

(CONTINUED FROM PAGE 21)

be used as basic and on the same page different popular combinations such as 25/50 and 50/100 be shown.

It doesn't make sense either, he added, that there be two separate manuals for automobile—one for liability and the other for physical damage. The independents have long ago consolidated these into a single book, and Mr. Kelley said he is convinced a properly designed manual would reduce

computation time 50% for the agent as well as the girls in the office and the people in the company.

"This is something that should have been done years ago and it seems to me that the bureau companies should start working on this right away," he said. "If the bureau companies wonder why they don't get a larger share of the automobile business, it may be due, in part, to the fact that the non-bureau companies design their man-

uals with the agent in mind because the agent will sell the policy he can quote most easily."

It isn't only the manual that makes the problems, said Mr. Kelley. He indicated that he is vexed with the system charging points for minor traffic violations.

"This must be stopped, and quickly! Charge for at fault accidents, yes, but please stop irritating my customers by discovering violation tickets that they are either trying to conceal or trying to forget! You cannot build your business without the good will of the people

you are trying to sell and the point system in its present form does not build good will!

What is needed in this area, Mr. Kelley declared, is a simplified auto manual which will not irritate the agent and a better rating system that will not irritate his clients.

Also in the automobile field, he suggested two provisions that could stand changing. One is the \$100 fire coverage on the contents of an automobile.

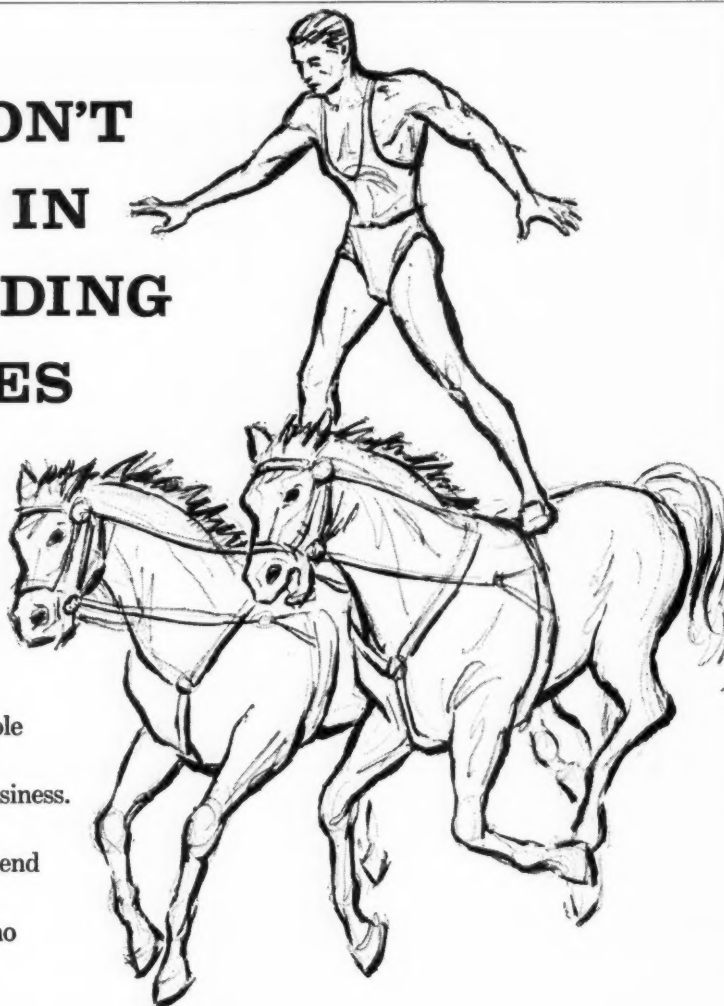
The homeowners policy and even the household contents policy with its 10% off premises provision covers personal belongings in a car for fire.

"If you want to see some real confusion, just report a cigarette burn in a suit or dress and tell the adjuster that it happened while the insured was in an automobile," Mr. Kelley suggested that the contents fire coverage be taken out of the auto contract.

Some insured put spinner hub caps on their cars, or at least, Mr. Kelley remarked, whenever hub caps are stolen, they are reported to be spinners. These cost about \$60 for a set of four. He suggested that companies write a restriction in the comprehensive coverage so that if hub caps are stolen the claim be adjusted on the basis of replacing with standard equipment.

Mr. Kelley exhibited the instalment premium endorsement form 102 and a similar form for attachment to homeowners policies, and wondered if they are necessary. The annual premium on the three or five-year policy is shown on the policy, so the endorsement adds

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... that's why our facilities are available only to Financial Institutions and Insurance Agents who handle such business. In the interest of plain, common "horse sense," we do not solicit or extend Agency Contracts to automobile, mobile home or small boat dealers who are not self-financing.

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Hammel Heads Zone 6

Paul A. Hammel of Nevada has been elected chairman of Zone 6 of National Assn. of Insurance Commissioners, and at the same time becomes a member of the examinations committee of NAIC.

Nominations for zone chairman were solicited by mail by Commissioner Beery of Colorado, at the request of zone commissioners, and after the nominations were received a ballot was taken and Mr. Hammel won out over three other nominees.

Preferred Mutual Of N.Y. Had 8% Premium Gain

Premium income of Preferred Mutual of New Berlin, N. Y., increased 8.1% (\$302,819) in 1960 to a new high of \$4,041,968. The company showed an underwriting profit of 6.6%, or \$205,970 with net losses, after reinsurance recoveries, of \$1,517,572, including \$162,864 from Hurricane Donna.

The company is represented by 826 agents in 13 states.

Investment income last year was \$76,718, and surplus Dec. 31 was \$1,931,241. Assets at the end of the year amounted to \$5,231,989.

Service Guide

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no information. He suggested the entire form be eliminated, but if it could not be, then the wording be included in the longer forms that are attached to the fire or homeowners policies.

The fire protection clause, form 68, used for dwellings in townships with hydrants and fire stations, call for six typewriter positionings. A redesigned form would require no typing at all. Mr. Kelley pointed out that hydrants and fire stations, if there are any, are shown on homeowners policies, so the form itself appears to be unnecessary, although an agent will be criticized if it isn't attached.

Perhaps Use Both

Perhaps it would be possible for the companies to introduce both full coverage dwelling forms and deductible dwelling forms and do away with 49-As, 49-E and F, 49-T and U, and substitute a selection of forms so that only one basic form need be attached—either full coverage or deductible. This would not only save work in the agent's office but the policyholder would be more apt to understand his coverage.

Mr. Kelley said one of his pet peeves is the explosion exclusion in the gen-

eral liability policy, which states:

"This policy does not apply under coverage C (property damage) to injury to or destruction of any property arising out of blasting, explosion, etc. . . and provided further that part I or part II of this exclusion does not apply to operations stated in the declaration or in the company's manual as not subject to such part of this exclusion."

Mr. Kelley said the industry "should blush at delivering a policy to a customer containing such wording." He remarked that it is only because few insured read their policies that the clause doesn't give the industry some real trouble. The insured can't be expected to know what is in the company's manual and obviously a manual can't be given away with every policy. The exclusion should be eliminated entirely and when a policy is written containing a classification in which the exclusion would apply, an exclusion clause could be attached in the same way that an endorsement excluding professional acts is put on an OL&T policy for a doctor or a beauty parlor, he said.

Criticizes BI Claim Handling

Mr. Kelley has some criticism of bodily injury claim handling by the companies which "rush to pay big money for small BI claims." Admitting that reports of strange decisions and high judgments can easily make claims men nervous, he said the unfortunate part of this is that if it is the agent's client involved in an accident where fault is doubtful and the injuries, though slight, may worry the claim manager, too often \$1,000 or \$2,000 is paid to get a release, even though there is doubtful negligence.

This attitude eventually finds its way into the agent's loss ratio and if six or seven of these come up in a single year a company home office man may feel the agent has gone sour. The company becomes apprehensive about an agent when it should be wondering whether the claim department is over-anxious.

"I say, let the companies quit paying what I call 'blackmail' and fight every case where there is doubtful liability rather than to pay-off claimants who have little or no grounds for a lawsuit, but who know how to talk tough or have an attorney who throws the fear of a suit at a company, hoping for a pay-off in the form of an easy settlement."

Favors Combined Rates

Mr. Kelley asked why there are separate rates for fire and EC, suggesting that their combination would make a lot of sense. If the bureau published a combined rate there would be a saving in the agent's office and the company office and in the bureau if only one calculation and entry had to be made instead of two. It would cut the computing time in half and reduce the possibility of error 50%.

Back on the homeowners, Mr. Kelley said he finds it "most distressing" that homeowners 5 is not as good in several features as the less expensive 1, 2 or 3 plus 4. This was also true of homeowners C which had several features not as good as A or B.

"Now, I ask you, does it make sense to try to convince a client that the homeowners policy 5 is the best policy we have to offer when we know, first of all, that the deductible will have to apply to everything except fire and liability, but that the cheaper forms will grant full coverage? Why not make the most expensive homeowners policy in our portfolio as good in all features as the less costly forms?"



Time will Tell

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✓ Getting him interested in Business Interruption insurance is one thing. Delivering a policy correctly fitted to his needs takes a bit more doing. That's where "Shelby" agents make use of the readily available assistance of their fieldman and of the underwriters whenever they find need for that kind of help. Such careful tailoring of the policy makes their service much more valuable to their insured.

THE *Shelby Mutual*

INSURANCE COMPANY
of SHELBY, OHIO

NON-ASSESSABLE
FIRE & CASUALTY

Direct Writer Sees More Deductibles, Legislation In '60s

(CONTINUED FROM PAGE 6)

many policies are being cancelled and the assigned risk business increases.

What will be the fate of small companies' under such a situation, Mr. Braddock asked. Many of the larger companies in business today started with a new idea that had an appeal to the public. It was something new, and benefited the people. It would be questionable whether, under today's uniform rating law, such a company

could ever get started. If they can't offer something different, or better, than the facilities already available, then what incentive is there to place business with them?

There will probably be continued efforts in some areas for compulsory insurance, Mr. Braddock suggested. Recent experience in two states with compulsory insurance would indicate that it is not the panacea that its proponents indicate, and maybe there

will be some let-down in the support for such a law. Direct writers, however, feel that there will be considerable agitation for unsatisfied judgment funds, either controlled by the state or companies.

Most people have read of the study that was made in California to determine whether or not a compensation plan for automobile insurance would be logical. No proposal has been submitted to enact such a law, but it does

have considerable appeal to the public. Most people by this time are aware of the workings of the workmen's compensation plan, and without too much study of the subject matter, feel that it would also be desirable for automobile insurance. Probably at every session of the legislature in every state there will be increasing pressure for higher benefits under the workmen's compensation laws. Unfortunately, at the time the laws are passed, it is not possible to determine the exact effect on loss ratios, so usually rates lag behind the benefit increases.

Great Improvement Possibility

Public relations is an area that offers the possibility of greatest improvement in the industry in the forthcoming years, Mr. Braddock said. No one can deny the fact that the public image of the insurance industry is anything but satisfactory. This has been known for some time, but, until recently, very little has been done about it. Much of this is due to lack of understanding by members of the public of the actual operations of the insurance industry. Most of them do not realize how insurance rates are made, and are totally unaware of many things that the industry has done for protection of the lives of the people of this country. They do not take into account rehabilitation of injured employees, promotion of driver training within the schools, safety promotion both in and out of industry, and the many other efforts that are made, all for the good of the public. These could all be stressed in an attempt to improve the insurance image.

From the public viewpoint, the insurance industry is all one business, Mr. Braddock said. They don't differentiate between the types of companies or their mode of operation. In many instances, about the only contact they have with an insurance company or an agent is when they pay the bill which, too often, has of necessity had to be increased in the past few years.

Certain factions, however, seem to feel that they can hurt other factions of the business by planting seeds of suspicion in the minds of the public, with such references as, "You may have trouble collecting your claim," or "Be sure to read the small print." If these people think for one minute that this doesn't reflect on them, too, then they are mistaken, because it reflects on the entire industry, Mr. Braddock stated.

Room For All Types

There is room in this business for all types of companies, and agents, and if a better understanding can be created in the public mind, it will be beneficial to everyone.

It is only logical to assume that during the next few years, there will be a stepped-up program in the writing of package policies to fit the needs of various types of businesses. Already some companies have announced special package or combination policies to apply to such things as motels, apartment buildings, etc. This is nothing new, because for many years, companies have written such special coverage for banks, known as bankers' blanket bonds, and there are many other examples.

It is difficult to predict any changes in future marketing procedures because of the rapidly changing conditions, Mr. Braddock said, but it can be assumed that many of the companies, and particularly the direct writers, will change their plans of operation to meet any changes in conditions so that the public will get what it wants.

For too many years, the insurance

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The Hartford's National Roadside Program works all day, every day for local Hartford Agents!

Three years ago The Hartford Insurance Group launched its National Roadside Sign program. Today, Hartford Agents throughout the entire country are participating in it—forming a powerful and impressive network of advertising that can be seen along the nation's busy highways.

Through this program, Hartford Agents' names—displayed prominently with the famous Stag trademark—are kept before the public's eye on a round-the-clock basis. It helps build prestige. It helps build business.

Another big plus, Agents say, is the "tie-in" value the program provides. The program gives Hartford Agents an opportunity to identify themselves with The Hartford's national advertising which appears regularly in Life, Look, the Post and other major magazines.

Simply stated, The Hartford's Roadside Sign Program is one more way The Hartford works for the benefit of Hartford Agents everywhere.



THE HARTFORD
INSURANCE GROUP
Hartford 15, Connecticut

HARTFORD FIRE INSURANCE COMPANY • HARTFORD ACCIDENT AND INDEMNITY COMPANY • HARTFORD LIFE INSURANCE COMPANY • HARTFORD LIVE STOCK INSURANCE COMPANY • CITIZENS INSURANCE COMPANY OF NEW JERSEY • NEW YORK UNDERWRITERS INSURANCE COMPANY • TWIN CITY FIRE INSURANCE COMPANY

industry has almost shoved down the throats of the public things that they wanted to sell, and the methods they wanted to use in selling them. This condition is rapidly changing, and the industry must be in a position to meet the demands of the public. It could logically be assumed that to meet these demands will create a necessity for enlarged premium financing, which will include all of the premiums of the individual family.

"In my opinion, fewer decisions will be made from the ivory towers of the home office without first making a

market survey to see whether or not it is something the public wants and will buy at the premium necessary to cover the exposure," Mr. Braddock stated.

Studies are constantly being made to in some way amend the assigned risk plans so that they will carry their own load and not be a burden on the individual companies or policyholders of such companies. Loss ratios on this class of business in many states run as high as 125% of the premium, which means that the good policyholders not under the plan are forced to carry the burden of these excess losses.

To make the situation even worse, Mr. Braddock noted, the number of people presently under assigned risk plans has been increasing steadily for the past several years. There are some indications of a levelling off in this number in some of the states in the past few months. A solution can and must be found to this situation so that these people will pay their own way.

In conclusion, Mr. Braddock predicted that during the 1960s, there will probably be the biggest expansion in the lines of coverage written by the direct writers than during any such period in the past.

Man Dies After Rescue Effort, Widow Sues Rescued Driver For Costs, Damages

An Augusta, Ga., woman whose husband rescued a man from an automobile wreck and then died of a heart attack 45 minutes later, sued the man in the wreck for funeral expenses and punitive damages. Georgia court of appeals has ruled that her suit should go to jury.

The accident occurred in 1957. H. A. Small died soon after he pulled the crash victim from his car. Mrs. Small sued the accident victim, H. D. Usry for \$1,177 in funeral expenses, the value of her husband to her, and for punitive damages of \$10,000.

The appeals court said that the question of whether the heart attack was proximately caused by Usry's negligence under the theory of rescue is a question of fact for the jury to decide. The jury also should hear the plea for punitive damages, the court ruled.

Usry's auto crashed through a retaining fence on a divided highway, went across the road, and landed in a ditch. As the car crashed through the fence, a piece of debris struck the Small's car. Small stopped and started pulling Usry from his wrecked vehicle.

Firemen's Mutual Of R.I. In 1960 Gains

Firemen's Mutual of Providence in 1960 had incurred losses of \$5,752,329 compared with \$3,952,197 in 1959. Premiums increased by \$3,976,984 to \$76,573,861, making the company the largest placing member of Associated Factory Mutual group for the second successive year. Policyholders surplus advanced 6.2% in 1960 to \$38,104,384. Assets were up by \$12,320,369 to \$86,042,922.

Rucker-Jennings agency and Clark agency, both of Lynchburg, Va., have merged and will operate from headquarters of the former. Officers of the new firm are Irving G. Trent, president, Orlando C. Rucker and Richard P. Clark, vice-presidents, and Mrs. Nannie T. Purvis, treasurer. Mr. Clark, operator of the Clark agency, had formerly been associated with Rucker-Jennings.



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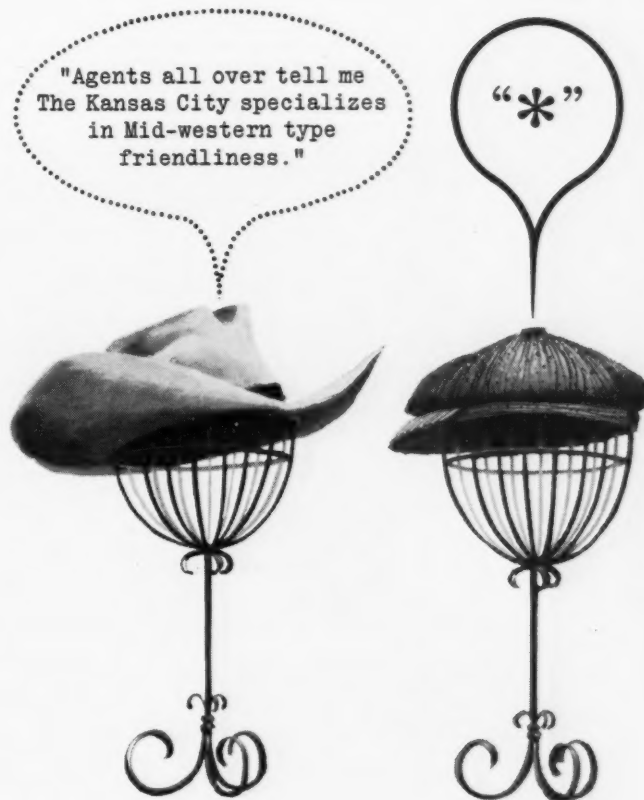
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A CAPITAL STOCK COMPANY
HOME OFFICE

1000 NORTH DELAWARE • INDIANAPOLIS 2, INDIANA

Gives World View Of Effects Of Mergers, Large Risks

(CONTINUED FROM PAGE 20)

said, absurd from a technical point of view. That unlimited coverage has been granted for some time in Great Britain and France is not sufficient justification for its introduction in Switzerland. Neither is anybody abroad happy about a practice which no clear-thinking and responsible insurer can take lightly because in the extreme but not to be excluded case it can threaten the insurer's existence.

Unlimited cover is a contravention of sound insurance principles, he said, and Swiss Re opposes it. It may lead to the sort of grave consequences which already have set in abroad, where attempts are being made to rectify it.

He indicated Swiss Re has been making liberal increases where possible in technical and free reserves when closing its books. Insurers are going to pay more attention to the quality of their reinsurance covers. Only efficient

and financially strong reinsurers can supply the service which the world insurance market requires today.

Fire Experience

Noting the technically very small profit margins in insurance and reinsurance, he called attention to fire experience, "again characterized" by serious major claims, including the conflagration in the Volkswagen Works, which was the largest single insurance

loss ever to occur on the Continent with a total insurance payment of 23 million Swiss francs. Also, there were three conflagrations in the British motor and aircraft industry. As for Swiss Re, these losses were offset by profits from other markets, some of which had in the previous year produced considerable losses. A similar example was in hail insurance, where the burden of claims shifted in 1959, as against 1958, from Germany to Italy and Greece.

However, in automobile liability there is no attaining the same balance. That business has been unable to achieve even over long periods the balance that is not only desirable, but which from general economic considerations is in the long run essential; even from market to market the measure of balance attained in this class has been modest in the extreme and quite insufficient.

Breakneck Speed

The reason is not to be sought in a fundamental lack of insight on the part of the insurance business, Mr. Keller believes, but—apart from various, in some cases legal, reasons varying from country to country—in the fact that the breakneck speed of increase in the number of cars all over the world is creating economic and legislative problems which neither the state (building of roads), nor private insurance (sufficiently rapid adjustment of rates), have been able to meet.

It has become even more evident that the situation which has arisen over the last 10 years on the roads seems likely to repeat itself in the air, he commented. Swiss Re's aviation liability and hull business showed a deficit for the period under review. He noted the rise in values, the fact that when a loss occurs it is usually total, and the rising density of traffic.

Commenting on the favorable aspects of life insurance, Mr. Keller pointed out the exceptionally high number of similar risks insured, the fact that the lives are insured for varying amounts, according both to the individual and to the market but never approaching the sums insured for large fire and liability risks, and finally the fundamental axiom that only in life insurance can the probability of an event occurring be assessed by mathematical means.

These things all give this branch of the business a notable technical stability. However, he sees a substantial need for reinsurance even in life insurance, attributable to the fact that in this branch in particular attention must, in the interests of insured, be directed toward the highest degree of stability. Also, building a life insur-

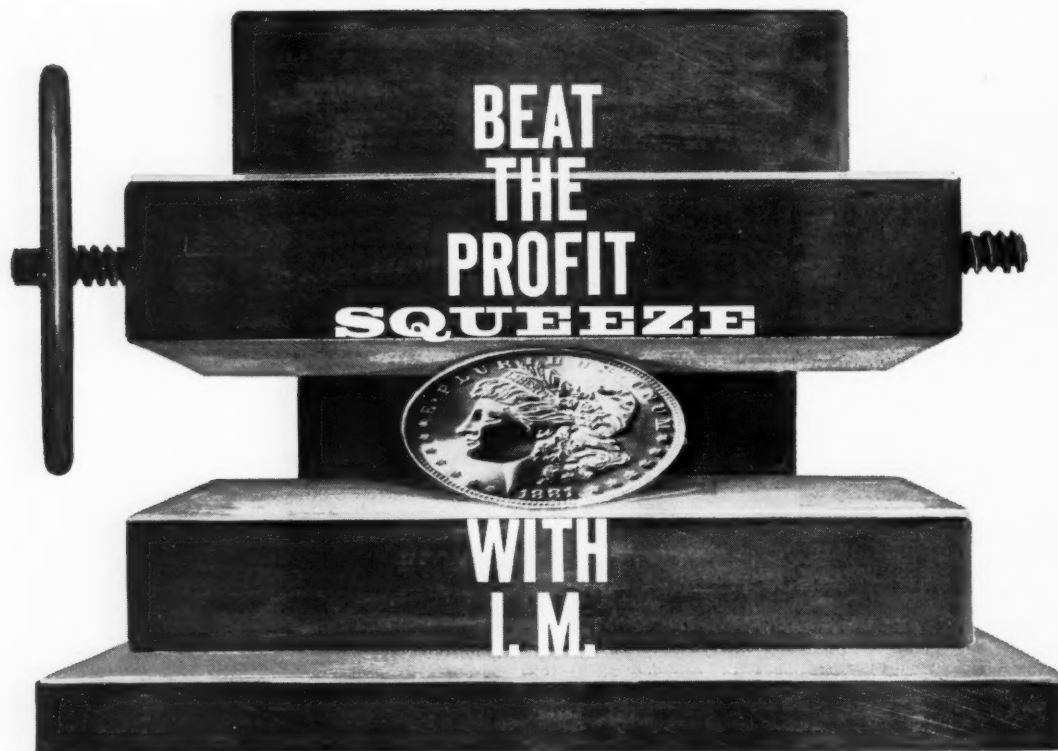
Colo. Bills Call For

Posting Rate Changes

A bill in the Colorado house is designed to make proposed rate increases matters of public information before they become effective.

Property insurance rate increases would have to be put open for public inspection within 15 days after filing and left that way for 15 days. If a public hearing on the application were requested, the increase could not become effective until after the hearing.

For automobile, a filing resulting in rate changes would have to be made available to two established news agencies and posted in the court house in each county in which residents would be affected. The newspaper and court house publication would be in addition to the requirements for property insurance.



If your percentage of profit is decreasing, Inland Marine can help reverse the downward trend. You can often increase your premiums—with little increase in detail—when you sell Inland Marine. Your profit percentage goes up as your handling costs go down.

Ask our Fieldman to show you how the expanded facilities and services of CU/NB GROUP make it easy to write I. M. coverages.

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ance business involves the primary insurer in considerable costs, for which a large measure of relief can be obtained through reinsurance. In addition, risk selection plays an important part in life insurance.

With the installation of electronic machines, Mr. Keller stated, the intention is not to reduce staff but to permit where possible with the same number of staff to handle a volume of business which has trebled since World War II and which is still growing. Also, the company hopes further to relieve employees of purely routine work and speed up considerably the processing of technical and commercial data which every day converges upon the company from all parts of the world, the

early availability of which is often of great importance in decisions of business policy.

He pointed out that reinsurance is a specialized branch of insurance and as such there is practically no reservoir in the labor market from which to recruit employees. Reinsurers have to train their own employees and particularly its executives for their special and ever more complicated tasks. In addition, in recent years the company has been called on increasingly by business friends in Europe and overseas for help with their training problems. To provide a basic solution, Swiss Re has established a special training center for long term educational development.

State Farm Names Gates At Lake Central Office; Many Other Changes Made

Fred A. Gates, State Farm's regional vice-president at the east central office in Newark, O., has been named to head the new lake central office at West Lafayette, Ind. He has served as regional vice-president at Newark since it opened and will assume his new duties July 1. Edward F. Lukes, currently manager of the southern Indiana division at Bloomington, will be a deputy regional vice-president at West Lafayette.

Replacing Mr. Gates as regional vice-president at Newark will be Norman R. Sleight now deputy regional vice-president there. Clifford L. Carter, agency director at east central will succeed Mr. Sleight.

Carl W. Bockhorst and Duane M. Paul will be deputy regional vice-presidents for the northeastern office now being constructed at Wayne, N. J. They will serve with James M. Tindall, who was recently named regional vice-president there. Mr. Bockhorst is now deputy regional vice-president at the mid-Atlantic office in Springfield, Pa., and Mr. Paul is agency director for New Jersey.

Other mid-Atlantic shifts resulting

\$4 Million Worth Of Construction Bonds On Arizona School Projects

Four million dollars in construction contracts have been awarded to three Tucson contractors.

General of Seattle was named surety on all contracts, which were executed through the Kuhn agency of Tucson.

J. A. Binns Construction Co. has the \$2,089,255 contract to build Palo Verde High School; Defco Construction Co. has the \$870,754 contract to build Mary Naylor Junior High School, and M. J. Lang Construction Co. has the \$1,040,315 contract to build a "solar and space" addition and three fraternity buildings at the University of Arizona. All buildings will be located in Tucson.

from the appointments are Richard L. Meyer, from west Pennsylvania division manager to New Jersey division manager; John J. Roberts, from New York division manager to west Pennsylvania division manager, and Robert D. Zehrung, from New Jersey division manager to New York division manager.

John T. Sules and David D. Kerlin, both assistant agency directors, will become agency directors for New Jersey; Frank Knoll Jr., will move from mid-Atlantic personnel manager to a similar position at northeastern. He will be succeeded by Charles F. Harradan, who moves up from assistant personnel manager at mid-Atlantic Erskine J. Hall, assistant administrative services superintendent at the southern office at Birmingham, Ala., will become northeastern's administrative services superintendent.

Other lake central appointments include: Milford B. Cox, Robert R. Slaughter and Robert E. Dender Jr., all to be agency directors for Indiana. Mr. Cox is currently acting state director; Messrs. Slaughter and Dender are assistant state directors. Neil C. Thomas, now assistant personnel manager at the Michigan office will be lake central's personnel manager. Norman D. Wilder, assistant superintendent of administrative services for Missouri and Kansas, will become superintendent of administrative services at lake central.

In other changes, D. R. Harcourt has been transferred from State Farm's Ontario, Canada, agency to agency records superintendent at Toronto. Jack C. Carr has been promoted from public relations supervisor to public relations superintendent at Bloomington, and John Krizek from public relations assistant to public relations supervisor there. Promoted from assistant claim superintendent to claim superintendent are J. R. Minor, Columbia, Mo.; James Stensgaard, St. Paul; Delor Benoit Jr., Santa Ana, Cal., and George Koudsi, Dallas.

PROFIT BY P I*

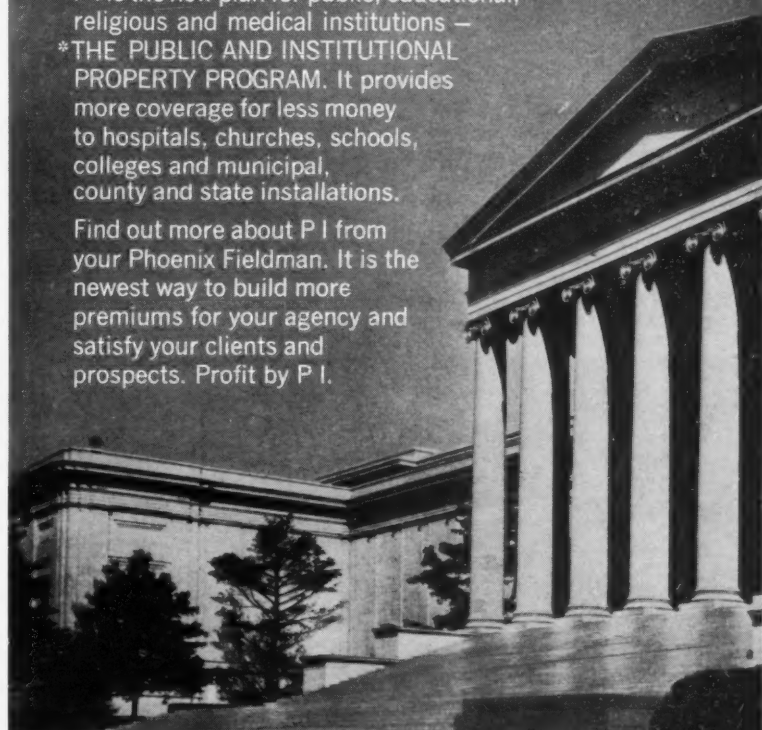
A NEW PREMIUM-BUILDER

P I presents another opportunity for you to offer something new—and better—from Phoenix of London.

P I is the new plan for public, educational, religious and medical institutions —

*THE PUBLIC AND INSTITUTIONAL PROPERTY PROGRAM. It provides more coverage for less money to hospitals, churches, schools, colleges and municipal, county and state installations.

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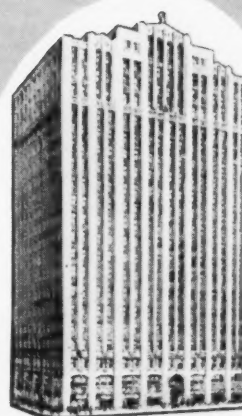
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THE HEART of Chicago's Insurance District

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JACKSON-FRANKLIN

Puts Marketing Plan In Agencies, Conferences Are Feature

(CONTINUED FROM PAGE 2)

determined by the individual agency operation. The mechanics of building and maintaining a prospect list and sources that contribute to it are fully clarified in a special direct mail section of the file.

With respect to where prospects are, Home points out that geography is just as important in market promotion as in personal selling. In another special section of the file, it shows the agent how to bring his promotional target area into line with his service area.

What prospects need from the agent is not only a tangible insurance policy but, more basically, his professional service. This intangible is more difficult for the prospect to appreciate than are tangible goods. It follows then that every business, personal and

social action the agent takes in his community should be directed toward making people more aware of him and his agency. Home shows the agent how to condition prospects in a positive way in line with this objective.

Finally, it emphasizes the importance of getting the agent's story across in simple terms couched in the customer's frame of interest.

Special Sections

With these points established, the file leads into sections devoted to the marketing devices and methods which have proved most useful and productive for agents.

The direct mail section is, in effect, a short course in all important aspects of that subject. It explains the purposes of mail promotion, how to build

the mailing list, how to get commercial and personal leads, how to maintain the list free from snarls, duplication and extra expense. This section also advises the agent on the best type of materials to mail and how to mail them—always with maximum return, economical procedure and attractiveness of the material in mind. Complete pictorial samples of Home's outstanding direct mail pieces are included so that the producer always has on hand a ready reference to material available for his specific purposes.

Home's approach to newspaper advertising is a far cry from the hackneyed display of the agency name and trade style. The ad file shows the agent how to get the most for his money through this most valuable local ad medium. It shows how to analyze a paper's readership, recommends coverage subjects that lend themselves to newspaper ads, points up factors in selection of the paper in which to advertise, discusses ad size, frequency and timing, and emphasizes the importance of continuity, repetition and of follow-up. This section also skillfully demonstrates how the agent can build his reputation by incorporating in ads stories of local losses and of the agent's participation in pertinent community projects. Pictorial illustrations of various sized mats and of larger ads provided by the company for agency use or adaptation are included in this section.

Other Features

Marketing by radio and TV is dealt with in the same complete way. The company helps the agent decide on how to pick the best radio station for his purposes and the best time to reach his predetermined market. Whether the agent should "sponsor" or "spot" is discussed, and an explanation is given of how the agent can use the spots provided by Home, how he can get help from his local station and how he can even write his own. TV advertising is analyzed in the same realistic way.

In a special section of the file, Home completely covers the promotional values of signs and displays and points each agent to the medium best suited for him. Outdoor ads—the printed poster, the painted bulletin and the reflectorized poster—are described and discussed as are transit advertising, point of purchase displays, and the values of booths and other presentations at shows and exhibits.

In the file's section on good will promotion items, Home points out that

these have a place in marketing programs but only on a highly selective basis. With a view to conserving the agent's time and money, and helping him to choose only practical good will materials, Home has studied the subject thoroughly and has pre-screened all such materials which could help produce sales. Home is making these available to agents at considerably reduced costs. These items are illustrated for the agent's selection in a brochure included in the file. This pre-screening by the company helps steer the agent away from a "second career" in the distribution of novelties with little or no practical value.

Special Projects

Fittingly, the file's last section is devoted to Home's special promotions. In aggressively exploiting them, the agent can bring to bear all the marketing methods and promotional devices previously described in the program.

In the concluding special promotions section, which deals with the coverages on which Home is trying to give its agents a special competitive edge, three unique and complete sales kits are described: Trip, motel and apartment owners.

The trip kit contains carefully tested material the agent needs to tap this undersold market. The company's research has indicated that the sale of a trip policy grows into future homeowners and commercial lines sales.

The motel kit is designed to help the agent get more than his share of the booming volume in this expanding business. Motels outnumber hotels two to one in the U.S. today, the company points out, and more than 2,000 new motels are being built each year. The kit includes Home's comprehensive motel policy with which its agents have already captured a large share of this business.

The apartment owners kit puts the agent "in business" with the owners of superior apartment properties—a profitable and fast growing market. This kit outlines a modern approach which provides landlord clients with quality protection at impressive savings.

Production Through Claims

In addition to coverage kits, Home has made a special promotion project of its loss claim program. The materials and the recommended procedure drive the agent's sales message home to prospects when they are most receptive—at the time someone they know, or know of, has a loss. Through this semi-testimonial approach, clients with promptly settled claims become

THAT BERKSHIRE MAN IS A FRIENDLY GUY



B

BERKSHIRE MUTUAL
FIRE INSURANCE COMPANY
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FRIENDLY agents

OFFER friendly service

GET friendly customers

NEED friendly companies

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established in New York in 1850



INTERMEDIARIES EXCLUSIVELY
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the agent's best salesmen and help him turn a loss into new business.

More special promotions are being projected for agents' use in the markets they have staked out.

Apart from the intrinsic promotional merits of the advertising file, it has a number of important economic values to the company and its agents. This is particularly apparent in the recommended use of direct mail and allied materials. To begin with, the agent who uses the file intelligently, will not request materials that do not have specific application to his market planning. When he orders, he completes a card, specifying the items and the quantity desired. This goes to his field man for approval.

Valuable Cooperation

The screening by the field man of the agent's order is a cooperative endeavor which assures that only useful material will be ordered and delivered. In clearing these orders, the field man keeps in close touch with his agents' current marketing activities and can often help out with suggestions. This screening gives the field man—who had been redirected by Home into more of a sales supervisory role than formerly—a broad picture of what all the agents in his territory are shooting for and an idea of whether the "underwriting mix" thus disclosed will be profitable to the agents and the company in the long run.

Home has no desire to limit direct mail and other marketing supplies to agents. But it does not wish to waste their time nor their money and its own by shipping bales of material that will wind up on agency shelves. Some agents should particularly appreciate the added space thus opened up, not to mention the fact that the company has given them a planned way to get the material out into the hands of potential customers.

The field men should be grateful to be relieved of the chore of toting a bulky advertising display book on their agency calls and of the need to explain and reinterpret the company's marketing program at frequent intervals. The program is now right in the agency file where it belongs. Home agents can now concentrate on analyzing and serving their market on a planned basis and will let the company know of further needs to bring in maximum returns. For its part, the company will concentrate on meeting all such practical requests and in supplying agents with ideas through its counseling service.

Thus, marketing at Home is a two-way endeavor and not a strait jacket laced on agents by company specialists who insist that every promotional method or every piece of sales material is useful to every agent. Under this new plan, the word "independent" means something when prefixed to agent, for he becomes a contributing partner in a marketing program designed for him alone.

Indiana House Approves WC, Auto Coverage Bills

INDIANAPOLIS—The Indiana house has passed a bill which eliminates from the 1959 workmen's compensation act the stipulation that insurance policies would be for three years if annual premium is less than \$100.

Another bill approved by the house provides that motor vehicle insurance certified to the commissioner of motor vehicles shall terminate insurance previously certified on the same vehicle.

Cupid Involved In Car Crash Verdict

A woman injured in a car driven by the man she later married won her suit in District of Columbia court of appeals against the man's insurer, West American.

In 1956, Leona P. Gallagher, a widow, was hurt in a car driven by Wilfred H. Rommel, whom she married in 1957.

Testimony in municipal court revealed that a company adjuster talked with the woman at her office where she still used the name of Gallagher. A verbal agreement was reached to settle her claim for \$675. However, as the adjuster was preparing a form, the claimant stated that her name was Rommel. The company balked at the settlement, holding that no agreement would have been made if the marriage to its insured had been known.

Mrs. Rommel sued for breach of contract, and the municipal court found for the insurer. The appeals court ordered a new trial on the ground of no showing of fraud.

On the second round, the municipal

court held that Mrs. Rommel's innocent failure to reveal her marital status invalidated the settlement agreement. However, the appeals court then ordered judgment for her, stating that thousands of married women use their single names in an entirely legitimate way for business purposes.

Employers Liability Names Theall At Boston

Employers Liability has appointed Robert C. Theall brokerage supervisor at Boston. He entered the business in 1952 and most recently was field supervisor of Hartford Life.

Analyzes WC Bills In Missouri

Workmen's compensation bills in the Missouri general assembly were analyzed by Seldon E. Brown, insurance and workmen's compensation director of Associated Industries of Missouri, at a meeting of St. Louis Insured Members' Conference. He discussed also the threat of a state fund compensation program, which is being advocated by the state AFL-CIO council.

Combined Of Chicago Premiums, Earnings Up

Premium volume of Combined of Chicago increased from \$36,341,305 in 1959 to \$42,934,327 in 1960.

Earnings before dividends but after taxes amounted to \$4,417,190 in 1960 compared with \$1,951,161 the previous year and earnings per share were \$2.21 against 98 cents.

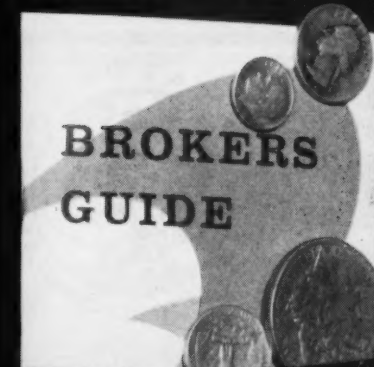
Assets rose from \$20,293,811 to \$26,368,850. Policyholders' surplus was \$11,800,680, up from \$8,033,481, and cash dividends amounted to \$650,000 against \$510,000 in 1959.

So. Cal. Buyers Elect

Steve Culibrk, Citizens National Bank, has been elected president of Southern California chapter of American Society of Insurance Management. He succeeds M. J. Bowman, American Potash & Chemical.

Other officers are Norman Horney, Consolidated Rock Products, vice-president; Homer Rathbun, Union Oil, secretary; Paul Harvey, Richfield Oil, assistant secretary; and William Mortimer, Douglas Aircraft, treasurer.

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Products Liability Broadened By N. Y. Grocery Case Verdict

The New York court of appeals has ruled that a grocer is liable for injuries to the family of a purchaser to whom he sells harmful food. Previously the state courts had held that the seller's liability extended only to the individual to whom the sale was made.

In the appeals court's majority opinion, Chief Judge Desmond wrote that under present conditions, when so much food is bought in packages, it is not just or sensible to confine warranty protection to the individual buyer. At least as to food and household goods, the presumption should be that the purchase was made for all members of the household.

The verdict came in a case where a father bought a can of salmon, and his daughter was injured by chewing sharp pieces of metal in the food. Lower courts held that father and daughter were entitled to recover from the grocer, but the appellate division limited recovery to the father. The court of appeals then reversed the latter court.

Other Views

In a concurring opinion, Judge Froese limited his decision to the particular case and the specific facts. He believes it is up to the legislature to decide how far the liability of storekeepers should be broadened. It is just as unfair to hold liable a retail grocer, who is innocent of any negligence or wrong, on the theory of breach of warranty for some defect in a canned product which he could not inspect and with the production of which he had nothing to do, as it is to deny relief to one who has no relationship to the contract of purchase and sale, although eating at the purchaser's table, Judge Froese observed.

In the past, New York courts have gone as far as extending in some cases, a warranty for fitness of use, to cover a spouse or an adult roommate of a buyer, but not minor members of a family.

Defendants Remain Ahead

Juries in Chicago last week awarded \$65,000 to six plaintiffs, Cook County Jury Verdict Reporter states. The Reporter analyzes personal injury decisions, and notes that since Sept. 1, 1960, when the courts adjourned after the summer recess, Chicago juries have held in favor of plaintiffs 142 times and in favor of defendants 167, while 20 juries have been deadlocked.

Last week there were seven verdicts favoring defendants, and two juries were deadlocked. Since Sept. 1, \$1,958,490 has been awarded to the 142 winning plaintiffs.

The largest award last week was \$40,500 which was mostly in the nature of property damage caused when a home was destroyed as the result of a gas explosion. The defendant was Northern Illinois Gas Co.

McDevitt & Son Opens Branch

James J. McDevitt & Sons, independent adjusters of Boston, has opened a branch at Fitchburg, Mass. The company also has a branch at Providence.

John J. Reynolds, senior staff adjuster of General Adjustment Bureau at Boston, has joined McDevitt & Sons to manage the Fitchburg operation which will cover central Massachusetts. Mr. Reynolds was with GAB from 1948, and before that was with a Boston general agency.

Harrison Releases New Fire Record Credits, Penalties In Tex.

DALLAS—An estimated increase of about \$300,000 in premiums is indicated in the new fire record credits and penalties for the 715 rating units in Texas that have been released by Commissioner William A. Harrison to become effective April 1.

Fort Worth topped a list of 29 major cities and 181 smaller communities—measured by the amount of net fire premiums in 1959—that lost five percentage points in their rating status. Others in this group were Abilene, Amarillo, Beaumont, Galveston, Irving, Lubbock, Pasadena and Sherman.

Some Improved Standing

There also were 195 units that improved their standing by five percentage points. This group included Arlington, Longview, Marshall, Mesquite, Port Aransas, Texarkana, Tyler and University Park in Dallas.

Some 28 cities were among the 310 remaining units that retained their rating status unchanged from last year. This list included Houston, Dallas, San Antonio, Texas City, Lubbock, Austin and El Paso, each of which reported 1959 fire premiums in excess of \$1 million.

An analysis of the new ratings revealed that the 210 units with the 5-point reduction in credits had aggregate premiums of \$16,118,616, with the 5% change meaning additional premiums of \$805,939. Those units that bettered their standing showed premiums of \$10,139,068, with the changes resulting in saving of \$506,953 in charges. The difference between the two is \$298,986.

The study further showed that only 66 of the 715 rating units have fire record debits, with 58 others classed as normal. On the other hand, 225 units have the maximum 25% credit.

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Mayor Joseph M. Barr of Pittsburgh signs the official proclamation of the city's I-Day, March 14. Seated with the mayor is Marvin Hankey, resident vice-president of American Casualty and president of Insurance Club of Pittsburgh which sponsors I-Day. On the right, standing, is Joseph H. Kronz, secretary of National Union and chairman of this year's event. The ladies are Bonnie Bennett, left, and Kay Freeman of National Union, who will be receptionists at I-Day.



Nw Mutual Appoints Gooch Dallas Manager

Northwestern Mutual has appointed Warren Gooch southwestern department manager at Dallas. He replaces Woodrow W. Hathaway, who has been transferred to Chicago as manager of the eastern-southern division.



Warren Gooch

Mr. Gooch has been assistant manager at San Francisco, and before that he was supervisor of Arizona operations.

Independents Oppose Safe Driver Auto Plan In Va.

The merit rating plan of National Bureau, National Automobile Underwriters Assn., and Mutual Bureau ran into strong criticism at a hearing by the Virginia state corporation commission. The commission took the filing under advisement. The filing, made by Virginia Insurance Rating Bureau, includes an increase in basic liability rates for private passenger cars, rate reductions for some PHD classes, and the special package policy.

G. A. Perry, vice-president of Government Employees, called the plan actuarially unsound and economically inadvisable. Harold E. Curry, vice-president of State Farm, and other representatives of independents, strongly objected to the merit plan.

Norman S. Elliott, counsel for the commission, said that body ordered a study of merit plans in 1951 and there were 20 reasons reported for not adopting one in Virginia. Richard E. Smith, executive secretary of Virginia Assn. of Insurance Agents, also opposed the filing.

James M. Cahill, secretary of National Bureau; M. P. Anstey, assistant secretary of NAUA, and Collins Denny Jr. of the rating bureau, outlined the details of the filing.

Urge Plates For Driver

A proposed North Carolina bill would require the state to issue auto license plates for individual owners rather than for cars. The plates would not remain with the vehicle when it is sold or transferred. The measure is intended to plug loopholes in the state's compulsory law.

At present, an uninsured motorist can buy a car with plates and drive it up to three months before it can be determined whether he has adequate liability coverage.

Pacific Appoints Harris

Pacific of New York has appointed Gene Harris state agent for Alabama to succeed Dillon S. Overton, who will retire after 30 years in the field. Mr. Harris was formerly in the local agency business.

Ohio Dept. Wins A Legal Victory

The Ohio department has won a legal victory in its fight against construction firms that double as insurance adjusters. Two years ago the Ohio legislature enacted a law requiring adjusters to get state licenses, a bill opposed by Superintendent Stowell. In putting the law into effect, Mr. Stowell ruled that persons holding the adjusters' license could not have an interest in firms which repair or restore fire and damage losses. Six persons appealed the ruling to Franklin County common pleas court. Judge Sater, upholding the action of Mr. Stowell, said the rule would "halt public insurance adjusters from serving two masters—the insured and the construction contractors, with whom they are all too frequently allied."

David T. Kress, branch claim representative at Detroit, has been transferred by Standard Accident to the home office casualty and property claim department as claim examiner.

Michigan Court Ruling Liberalizes Liability In Chain Reaction Accidents

LANSING—An opinion by the Michigan supreme court has liberalized liability on chain reaction highway accidents in that state.

In a 5-3 decision, the court held that a motorist involved in an accident with two or more other cars but not guilty himself of contributory negligence may seek redress from any or all of the other motorists who may have caused the accident.

The action in question was brought by Mr. and Mrs. Fred Maddux, and their daughter, all of who were injured in a three-car crash in 1956. An approaching car, driven by William Donaldson, skidded into the plaintiffs' path, and their pickup truck was struck in the rear by a car operated by Paul Byrie. Donaldson and Byrie both were sued, but the action against Donaldson eventually was withdrawn, leaving Byrie alone to face the \$25,000 claim.

Judge William J. Beer of Oakland County circuit court dismissed the Maddux suit under the state contributory negligence statute, since Byrie's share of responsibility for the crash would not be fixed.

Justice Smith, writing the supreme court majority opinion overruling the circuit court, held there was obvious injustice when "the blameless victim of traffic chain collisions is denied any recovery whatsoever." The mere complexity of the accident circumstances, he held, should not free negligent drivers of liability.

Dissenting from the majority ruling, Justice Leland W. Carr, opined that placing the entire liability burden on

International Service Promotes Brockette And Rightmire To Assistant V-Ps

International Service of Ft. Worth has promoted C. T. Brockette and G. R. Rightmire to assistant vice-presidents; Roy E. Crews to assistant secretary-treasurer, and E. C. Jordan to assistant secretary.

Mr. Brockette has been with the company nine years and is casualty manager of direct underwriting; Mr. Rightmire has been with International 12 years and is agency supervisor for Texas; Messrs. Crews and Jordan have almost four years' service, the former being Texas fire underwriting, the latter in charge of methods and procedures.

Great Amer. Names Rice In Mich., Wasmuth At N.Y.

Great American has transferred Assistant Secretary Rodney A. Wasmuth to New York as assistant to Vice-president Walter R. Ewald in the agency department. Mr. Wasmuth has been manager of the Michigan department.

Secretary Arthur A. Rice will become Michigan manager. He has been in the western department, and before that he traveled the Michigan field.

Zurich has promoted Jack M. Ellis, assistant superintendent electronics department, to assistant superintendent of the data processing department.

Byrie would violate his constitutional rights inasmuch as he, presumably, was not wholly to blame for the accident.

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WC Volume Passes \$1.5 Billion, Up 9%

(CONTINUED FROM PAGE 2)

4,132 to 4,577; Kansas showed a decline, from 15,778 to 13,488; District of Columbia declined from 4,432 to 3,217; Maryland went down from 23,470 to 14,545, and Missouri shrank from 16,498 to 12,984. There were also declines in Wyoming, Oklahoma, and Tennessee—the latter shrinking from 25,458 to 9,979. Increases were recorded in Colorado, New Mexico, Utah, Iowa, Nebraska, Alabama, Georgia,

Louisiana, and Mississippi. South Carolina, in which the financial responsibility law was tightened last year, jumped from 20,534 to 43,141.

The council operates Interstate Compensation Rating Bureau, Mr. Reall pointed out. In 1960 the ratings processed by that bureau rose 3.4% to 32,515. This compares with 25,002 in 1956. There has been a steady increase since. There has been some delay in the processing of ratings, Mr. Reall

said. However, a new data processing system has been installed to calculate modifications. These and other changes have been made to speed up the process.

Refinement In Rating

As to ratemaking, there was no change in the method of arriving at the change in rate level. But there was a refinement in the system followed in apportioning the rate level among industry classifications. This refinement gives more credibility to the individual industry's own experience within the state and thereby produces a greater degree of correlation between the manual rate for the classification and the industry's own experience.

In experience rating the eligibility point was increased from \$500 annual premium to \$750, Mr. Reall reported. Also, a program was introduced, applicable to retrospectively rated risks, establishing excess loss premium factors by hazard group. Under retrospective an optional procedure permits losses to be limited under certain circumstances. The charge for this loss limitation originally was based upon an average factor developed for each state. This proved insufficient for high hazard classes and redundant for low hazard classifications. The program of assigning classes to one of four hazard groups for each state will redistribute the total charges for loss limitation on the basis of the best possible estimates of loss expectation by classification.

Chubb & Son Raises Hodgetts And Rees

H. L. Hodgetts has been elected vice-president of Federal, and William



H. L. Hodgetts



William M. Rees

M. Rees has been elected a director of Vigilant.

Mr. Hodgetts joined the Chubb & Son organization in 1947 in New York as a marine underwriter and later went to San Francisco in that capacity. Subsequently he became manager of the Los Angeles office before returning to New York in 1959 to take charge of the Plan IV operation—the organization's multiple line program for personal coverages. Before joining Chubb & Son, Mr. Hodgetts had been with North America and with Rathbone, King & Seeley general agency.

Mr. Rees went with Chubb & Son in 1937. He is a director of that company and of Colonial Life and is senior vice-president of Federal.

Hooper-Holmes Names King V-P, Director

Hooper-Holmes has elected Frederick D. King a vice-president and director. Mr. King joined Hooper-Holmes in 1949 at New York as an inspector. He has served at field offices in Greensboro, Providence, Hartford, and Birmingham. He was transferred to the executive offices in Morristown, N.J., in 1958.

'Competitive' Auto Rate Bill Progresses In Texas

The "competitive" auto rate bill has been reported out of the Texas house insurance committee by a 9-5 vote. This legislation, which used to be called the "flexible" rate bill, may come up on the floor next week. It is the first time in the three or four tries for this type of rate law that it has gotten out of committee.

Inter-Ocean Re Advances Frank Fulkerson To V-P

Frank E. Fulkerson, assistant secretary of Inter-Ocean Re, has been advanced to vice-president. With the company since 1937, Mr. Fulkerson became assistant secretary in 1918, and he will retain that position.

Asks For Flood Data

Interior Secretary Udall has asked the Geological Survey immediately to survey existing flood potential over the country and have ready flood survey teams for emergency surveys whenever important floods occur. There is a growing need in urban areas for flood data as a basis for zoning ordinances, subdivision regulations, and insurance rates, he stated, and to supply information to mortgage companies, builders, and home owners.

He has proposed a contingency fund to finance the emergency flood surveys.

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Managing General Agency in State of Tennessee interested in discussing contract with Stock Company writing special hazard, surplus, excess, and miscellaneous casualty lines. Write to W-89, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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A progressive, midwestern casualty company needs a claims examiner, a man capable of assuming duties of Chief Examiner. Applicant must be able to supervise personnel and willing to travel to branches. Legal degree required with some experience in private practice preferred. Salary, \$8500 to \$10,000. Write to W-95, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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Our expansion in the fast-growing Kansas City territory creates an exceptional career opportunity for a man with ability and ambition.

If you are presently in this territory or have had recent experience in Kansas City, we would like to hear from you if: 1.) You have a minimum of 3 years experience as fire or multiple line fieldman; 2.) You are under 35 in age; 3.) You are a college graduate, (this requirement will not exclude from consideration a person who can otherwise qualify).

Please send a complete resume to W-88, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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A strong Middle Atlantic Mutual Company has opening for a seasoned executive, who can organize a casualty facility to supplement present fire operations. Give resume of education and experience.

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Leading stock company has opening in Milwaukee branch office. Because of our expanding casualty operation we are also seeking underwriters for other locations. If you are seeking a greater opportunity with a fine company, write in confidence stating experience, personal history and salary needs. Write to W-87, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Excellent opportunity in Ohio territory for an experienced Bond Fieldman and a Bond Claims Supervisor. If you're sales minded, here is your chance to grow with an expanding operation in a progressive company. Send complete biographical material and experience to Personnel Department, Ohio Farmers Insurance Company, LeRoy, Ohio.

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Excellent opportunity for experienced fidelity and surety bond producer and underwriter. Salary commensurate with experience and ability. Please call Mr. Lacy at CA 8-5325—Houston or Mr. McWhirter at RI 2-7731—Dallas to discuss. Replies confidential.

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Ala. Inspection Bureau Names Davis As Engineer

Alabama Inspection & Rating Bureau has named Joe L. Davis Jr. engineer. He was formerly engineer in charge at Mobile for Southeastern Underwriters Assn.

Mr. Davis had been with the SEUA engineering staff in Atlanta for a year and had performed field inspection from offices in Roanoke, Montgomery, Miami and finally Mobile.

Cleveland Field Club Presents First Annual Award To Wissler

Cleveland Insurance Field Club presented its first annual award to Wade K. Wissler, Aetna Casualty, at the February meeting. He has been in the business 30 years and active in the club's activities for the past 16. He is also active in Blue Goose. Speaking at the meeting was George M. Lynch Jr., assistant general manager of General Adjustment's western department. He discussed the professional insurance adjusters program of GAB.

The Scott agency and Old Reliable agency of Elkhart, Ind., have merged, with the Old Reliable name being retained for both locations.

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Fast growing, progressive multiple line company has attractive position open in its midwestern home office for a top notch field man who feels stymied in his present position and wants to move into management. Excellent working conditions; relocation expenses paid; salary open. Send complete resume to W-96, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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Our expanding operation in the Fidelity & Surety field has created openings for Bond managers in Charlotte, N.C., Washington, D.C., Peoria, Ill. & Orlando, Fla. 7-10 yrs. exp. desired. Salary open. Contact Personnel Director, AMERICAN CASUALTY COMPANIES, Reading, Pa.

Aetna Casualty Grads Hear Selling Advice

A four-point program for success in the general insurance business was outlined for graduates of the Aetna Casualty sales course by Stanley L. Voulelis, Middletown, N. Y. agent.

Blue ribbons for high scholastic standing were awarded to Melvin L. Battles III, Norwalk, Conn.; Joseph D. Amott, Newport News, Va.; J. Thomas Touchton, Charlotte, N.C.; and Billy B. Morgan Benton, Ky. Messrs. Touchton, Morgan and Battles also won gold ribbons for outstanding soliciting techniques.

In his speech at the graduation dinner, Mr. Voulelis said that today there is general recognition of the need for insurance, and that the agent's primary concern is to convince people they should buy it from him. He listed as steps toward that goal: Use of comprehensive survey methods and emphasis on new developments and coverage features when discussing insurance with prospective clients; swift payment of claims whenever possible; activity in community affairs and civic organizations, and readily available service to policyholders.



Stanley L. Voulelis

Hyde Gets Leave Of Absence

William A. Hyde, associate actuary of Nationwide Mutual, has been granted a year's leave of absence to become secretary of a new worldwide research unit of the insurance section of International Cooperative Alliance. Nationwide Mutual is one of 43 insurance companies in 17 countries that are represented in the ICA insurance section.

The research subcommittee will begin functioning April 1. Its aim is to evaluate the program of the insurance section, and to outline future activities. The section was organized in 1922 and its principal activity thus far has been the exchange of reinsurance among member companies.

Among specific projects of the research unit will be the promotion of

cooperative insurance societies in newly developing nations. It will also study opportunities for joint investments by member companies and will organize an exchange of staff personnel among the companies.

Bowman Doss, 1st vice-president Nationwide Mutual, will maintain liaison between the research subcommittee and the executive committee of the ICA insurance section, of which he is a member. The proposal to set up a research unit was made by Mr. Doss last fall at the ICA meeting in Lausanne, Switzerland.

Harleysville Mutual Expands Office Space

Harleysville Mutual group is planning a \$1,100,000 building expansion program to double its home office facilities. Construction is scheduled to begin in May and to be completed early in 1962. The project will add 50,000 square feet to the present headquarters to take care of expanding operations in all departments of the company.

Included in the building program are a two-story office building, a 300-seat employee cafeteria and adjoining kitchen, new heating plant, and a new parking area for 220 cars.

The first floor of the new offices provides space for the accounting department, central files, and a complete statistical data processing center, including a new IBM 1401 computer.

St. Lawrence Group Moving Into New HO

All members of St. Lawrence group will have moved into the new home office in Chicago by April 1.

The building provides 40,000 square feet of office space, general air conditioning and an employee lunch room.

Alter FR Law In Tenn.

The Tennessee financial responsibility law has been amended in a bill that has gone to the governor for signature. Under the changes the minimum amount of damage for which an accident must be reported is increased from \$50 to \$100. The present provision that all moving violations are offenses for which FR must be shown is eliminated and there is substituted only drag racing, speeding, and reckless driving. The provision is eliminated that requires a car owner to prove FR when someone else using his car is convicted of a moving violation though there has been no accident.

Pittman Named In Ala.

Kinnett-Edwards-Boyd general agency of Atlanta has appointed H. Reed Pittman field representative at Birmingham.

Suspend Jordan Mutual Fire, Pa.

Commissioner Smith of Pennsylvania has suspended from further operations Jordan Mutual Fire, Allentown. His order said that further transaction of business by the company would be hazardous to its policyholders, its creditors and to the public.

Standard Accident Names Two

Standard Accident has appointed John Davidson staff attorney at its Detroit branch and Samuel Thompson claim supervisor for that branch's claim department. Mr. Davidson began his insurance career in the company's home office bond department in 1954; Mr. Thompson joined the clerical section of Standard Accident's home office casualty claim department in 1947.



New officers of Chicago Mariners. From left: Richard Vong, Millers National, master-at-arms; Francis M. Mitchell, St. Paul F&M, 1st mate; Carl Cichon, America Fore Loyalty group, skipper; Harold L. Bredberg, Bredberg Reports, yeoman, and William Wert, National Fire, purser. Speaker at the meeting, during which the officers were introduced, was Lewis R. Plast, superintendent of filings Cook County Inspection Bureau, who discussed the new commercial property coverage program.

Springfield Elects Jaeger Secretary

Springfield has elected Deane S. Jaeger secretary at Tulsa.

Mr. Jaeger joined Springfield in 1947 as special agent in Great Bend, Kan. He later became state agent, superintendent and manager at the Wichita service office. Before joining the company he was for 10 years a special agent with Rain & Hail Bureau.

Norman Newell Heads S. F. Inland Marine Claims Men

Norman D. Newell, Aetna Fire, has been elected president of Inland Marine Claims Assn. of San Francisco. Other new officers are Fred T. Beckley, Commercial Union-North British, vice-president; Richard A. Ryan, Boston, secretary; and G. Irvin Hamma, Landis, Pelletier & Parrish, treasurer.

Pennsylvania Bills

A bill has been introduced in Pennsylvania authorizing the state secretary of property and supplies to transact business as an insurance broker for the state and providing that commissions on state insurance be paid into the general fund, not to agents as under the present patronage system.

Another bill would establish an automobile unsatisfied claim and judgment fund. It would be financed by fees added to car registration costs.

Raises Dividend

Aetna Casualty has increased its quarterly dividend from 30 to 35 cents, payable April 1 to holders of record March 10. Aetna Life increased its quarterly payment from 35 to 40 cents.

Insurers Lose N. C. Tax Suit

The suit in North Carolina by Great American and Hardware Mutual to have the 1% tax on fire premiums to support a firemen's pension fund declared unconstitutional has been dismissed by the state supreme court. The action was, however, based on technical grounds. The state's high court indicated it was not ruling on whether the law setting up the tax is constitutional or valid.

Distaff Side's Region 5 To Meet

National Assn. of Insurance Women's region 5 convention will be held at the Duluth Hotel, Duluth, April 7-9. This region encompasses North Dakota, South Dakota, Iowa, Missouri, Wisconsin, Illinois and Minnesota.

Premium Budget Offered By Lumbermens Mutual

A premium-financing plan known as LMI Budget has been introduced by Lumbermens Mutual of Mansfield, and it may be applied to all policies.

After a 22% down payment to protect the company from loss of earned premium from cancellations, subsequent payments will remain constant, and no additional down payment is required for renewal.

The plan will be advantageous to the agent in that he will receive full commissions immediately, a copy of all transactions, dividend checks to deliver to his insured, and he will not be bothered with collection problems nor need special accounting procedures.

Hawkeye-Security Names Fairchild Education Head

Kenneth L. Fairchild has been appointed to the newly created position of education and training director by Hawkeye-Security. He formerly was safety supervisor at Springfield, Ill.

Tanner Named At K. C.

Sayre & Toso has appointed Donald J. Tanner manager at Kansas City, succeeding Vice-president Ferdinand A. Hall. An insurance man since 1936, Mr. Tanner was with Boston and Central Surety before going with Holland-America, Sayre & Toso affiliate, in 1956 and becoming assistant secretary.

Staged Accident Brings Jail

SAN FRANCISCO—Two participants in a rear-end auto accident staged for fraudulent purposes, were each sentenced to a year in jail in Sacramento County superior court here. The convictions of the two men came as a result of investigation by the San Francisco claims bureau of Assn. of Casualty & Surety Companies.

New Handbook Published For Arkansas

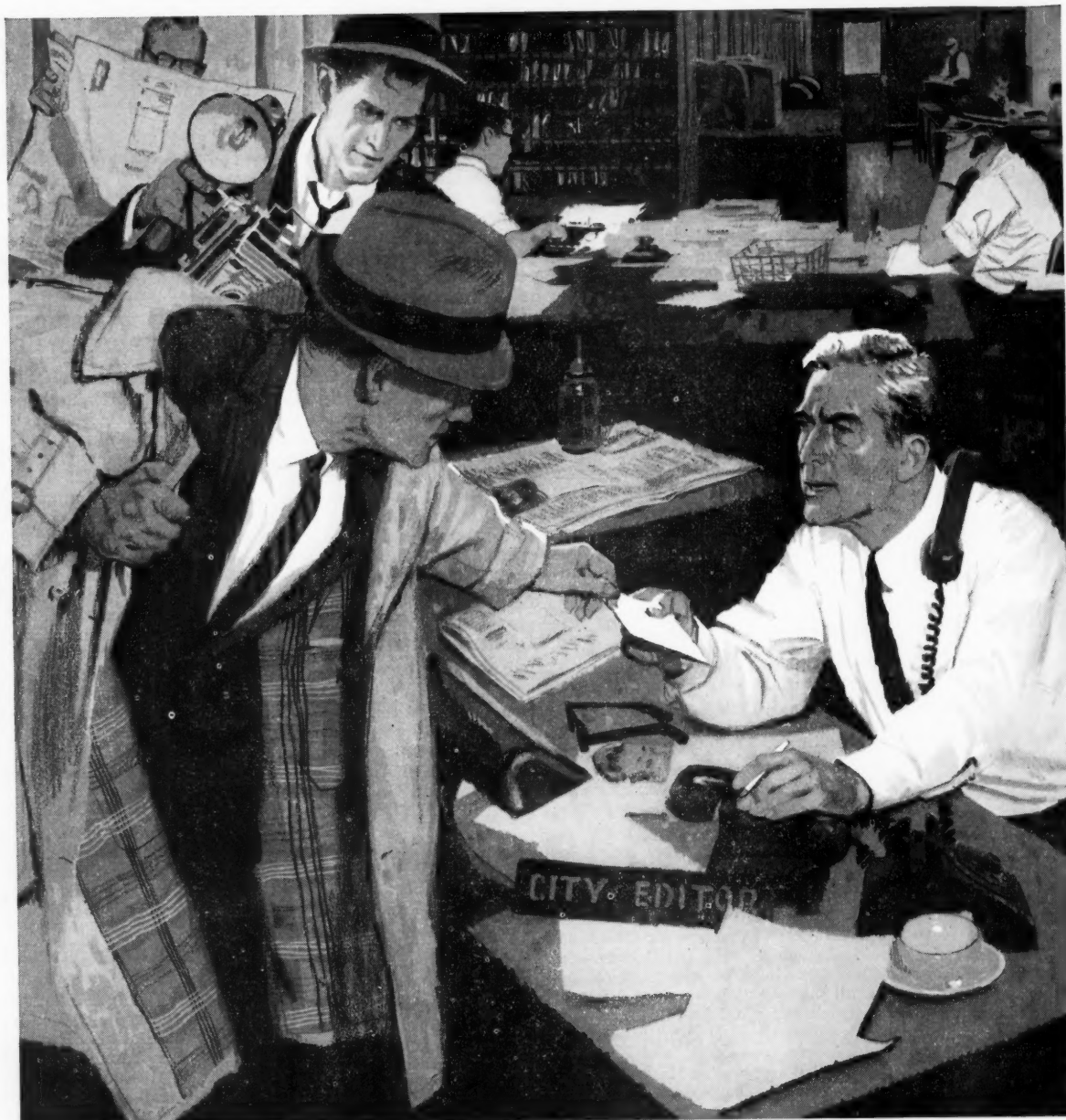
A new Underwriters Handbook of Arkansas has just been published by the National Underwriter Co. It provides complete and up-to-date information on the agencies, companies, field men, general agents, groups and other organizations affiliated with insurance throughout the state. Copies of the new Arkansas handbook may be obtained from the National Underwriter Co. at 420 East Fourth Street, Cincinnati 2, Ohio. Price \$12.50 each.

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